





Industry Developed by Spain

# Phosphates Make the Sahara A Land Coveted by 4 Nations

By Clyde H. Farnsworth

PARIS, Nov. 6 (NYT).—Five years ago, with credits from the U.S. government and the Chase Manhattan Bank and capital equipment supplied by the Krupp works of West Germany, Spain began the extraction of phosphates from Spanish Sahara.

Last year, a Spanish company organized for the purpose, Fosfatos de Bu-Craa, produced 3 million tons from the phosphate mine southeast of El Aun about 60 miles from the Atlantic coast.

This year, production is expected to rise to 5 million tons, making Spanish Sahara the fourth largest producer in the world after the United States, the Soviet Union and neighboring Morocco.

Many specialists believe that the sudden interest in the Spanish overseas province by Morocco and two other neighbors, Algeria and Mauritania, may at least in part be explained by these mineral riches and Spain's crash efforts to exploit them.

The Spanish Sahara is a land of nomads (about 30,000) stretched across the northwest coast of Africa. Its area is about 105,000 square miles.

According to French industry estimates, there may be about 2 billion tons of phosphates in the area, making it one of the major sources of supply for a material the world relies on heavily to relieve food shortages. About 85 per cent of the world's production of phosphates is used for fertilizer. The remaining 15 per cent goes into plastics.

The international price of phosphates has closely followed that of oil. Morocco, the world's leading exporter, more or less sets the price, which has quadrupled during the last two years.

Between 1952 and 1973, the price

held steady at \$14 a ton. The price tripled in 1973 to \$42 and went up again last year to \$53. The Moroccans argued that the increases were justified by the erosion of purchasing power and the long period when, they argued, prices were too low.

The United States, the Soviet Union and Morocco accounted last year for 66 per cent of the world's production of phosphates. The United States produced 37 million tons, Russia, 25 million, and Morocco, 20 million.

Small U.S. Exports

But the United States exported only 5 million tons, keeping the rest for its own fertilizer and plastics industries. The Russians imported 10 million tons to try to build up food output. Morocco exported 19 million tons.

Morocco produces phosphates from open pit mines near the Atlantic ports of Casablanca and Safi. A third site at Makhass, near the port of Essaouira, is being developed with the help of the Soviet Union, which is expanding Moroccan harbor and rail facilities and providing capital equipment. The Russians will be paid off in kind—by phosphates produced after 1980.

Under the Moroccans' latest five-year plan, they should be producing an extra 10 million tons by that year.

As with many developing countries, Morocco wants to process most of its own resources rather than sell them off to industrial states in crude form for processing and profits there.

Super-phosphates, as the mineral is known after conversion, sell for \$235 a ton.

Abu Dhabi, Saudi Arabia and Kuwait are pumping funds into phosphate conversion plants at the port city of Safi. These plants are expected to transform 40 per cent of Morocco's output by 1980.

Phosphate Potential

It is estimated by industry sources in Paris that Spain has spent as much as \$200 million developing the phosphate potential of Spanish Sahara.

All the output, the sources here report, has been going to mainland Spain for conversion into fertilizer. Spain is a heavy user of fertilizer because of its large agricultural sector. One-quarter of its labor force is on the land.

Industry sources report that Spain is concerned about maintaining the source of supply from the Spanish Sahara, should there be a change in political relationships with the colony.

## Moroccans Begin March

(Continued from Page 1)

day he remained in his quarters at Agadir, 300 miles north of the border. Premier Othman was believed to have joined him there shortly after the volunteers crossed the frontier.

Soviet Deputy Foreign Minister Jacob Malik, president of the Security Council this month, sent a message to King Hassan yesterday with a request that he "put an end forthwith" to the march.

The King today replied with a message to Mr. Malik saying, "We have received your message... and we can only let you know that the march began this morning. We ask you to inform the council that this march will not depart even for a moment from its peaceful character."

King Hassan had urged the marchers to "meet every Spaniard on your way and ask them to enter your tent and share your rations." But he promised the unarmed volunteers protection from attacks by "foreigners"—an allusion to Algerian troops known to be farther east on the border.

(In Algiers, the semi-official Algerian newspaper El Moudjahid said King Hassan's decision to go ahead with the march had sent Moroccans on a "veritable suicide operation before the guns of the Spanish Army," Reuters said.)

The marchers stopped on a ridge leading to a valley where the Spaniards have erected a large number of "mine fields" signs ahead of the barbed-wire barricade. On the skyline a large number of Spanish armored vehicles were dimly visible.

By the time the leaders reached the temporary halt, the line of marchers was almost continuous for the eight kilometers back to the border, 8 to 10 abreast.

In Madrid, the Spanish Cabinet met in lengthy discussion over the affair. Spain, backed by Algeria, wants the Sahara's estimated 80,000 inhabitants to decide their future in a referendum. Morocco wants to impose its own sovereignty, with an eye to the territory's rich phosphate deposits, a vital ingredient of fertilizer.



IN TUNIS.—Presidents Valéry Giscard d'Estaing of France and Habib Bourguiba of Tunisia respond to crowds after the French President arrived yesterday for a three-day official visit—the first for a French chief since 1956.

## Tourism Still Increasing

# The Resort Island of Madeira Is Playing Down Lisbon Link

FUNCHAL, Madeira, Nov. 6 (AP).—Madeira lives with the fear that somebody is going to find out the island is Portuguese.

"We don't exactly broadcast it," said Jose de Andrade, president of the island's Tourist Board. "There's no one who can force us to commit suicide."

The subterfuge is understandable. Based on confusion growing out of Britain's historical ties with the island, Madeira's intense promotional campaigns in northern Europe as a winter resort cloud the situation by banishing the word Portuguese from advertising copy.

On an island that depends on tourist money for almost half of its foreign exchange—visitors brought in about \$21 million last year—there is real concern about becoming too closely associated with the uneven revolutionary process on the mainland. While tourism was falling by an estimated 40 per cent this year in Portugal, it rose by 7 per cent in Madeira, a flower-covered bit of volcanic rock 599 miles south of Lisbon in the Atlantic.

More than 90 per cent of Madeira's voters in last April's Constituent Assembly elections supported moderate parties.

This situation is so repugnant to leftists in Lisbon that a Communist-run newspaper, Diaro de Lisboa, has asserted that the socialist program of the Armed Forces Movement has little chance in Madeira and that the island is run by an alliance of reactionary investors, clergy and a few complacent military officers.

But whatever leftists think, and regardless of how Madeira may look in a tourist brochure, the problems of being Portuguese are real.

The economic situation is described as grave by the military governor, Brig. Carlos Azeredo.

The major cause is that emigrants from the island, who number about 350,000 and are mainly in Venezuela, South Africa and the United Kingdom, have virtually stopped sending back money to bank or invest at home because of the risk. This source of foreign exchange, which ranks close to income from tourism, cannot be replaced.

Construction work has stopped on four new hotels for lack of capital. Two electronics assembly plants, employing about 400 women workers, are being shut because wage increases wiped out their competitive edge.

Of the population of 270,000, about 90,000 are non-agricultural workers and, of these, an estimated 11,000 are unemployed. The situation will worsen as the full impact of 25,000 Angolan refugees, scheduled to arrive on the island, is felt. The export of wine had been holding up, but lately sales have fallen off, notably to the United States, where Asian

products have undersold those from Madeira.

The political result had been the proliferation of a number of groups favoring independence for the island. The groups are clandestine and have claimed responsibility for bomb attacks on what little there is of a leftist presence here.

The eight or nine groups are reported to be trying to merge as the Front for the Liberation of the Madeira Archipelago (FLAMA), claiming they could muster 80 per cent of the population in their favor in a referendum on independence.

## Portuguese Pullout Heightens Uncertainty, Fear in Angola

(Continued from Page 1)

to 1,500 soldiers involved in the mercenary-supported drive under way to force the MPLA from southern Angola.

It could not be confirmed here if there was any truth to foreign reports that soldiers of Zaïre and the Congo (Brazzaville) had made incursions into oil-rich Cabinda, an MPLA-controlled Angolan enclave between the Congo border and a finger of Zaïre territory extending to the Atlantic north of here.

In Kinshasa, officials said that Zaïre troops were sent to the border of Cabinda following fighting between two Cabinda liberation movements and a large force of Congolese troops. The officials denied that Zaïre troops had entered Cabinda.

In Brazzaville, the Congo radio denied that Congolese troops had moved into the enclave.

With the departure of the Portuguese Army from all of Angola except Luanda, it has become almost impossible to sort out conflicting reports to establish what precisely is happening outside the capital. Travel outside the city is either forbidden or highly risky because of the fighting.

On Tuesday night, there was

## Guatemala Told U.K. Will Defend Belize in Attack

LONDON, Nov. 6 (UPI).—Foreign Secretary James Callaghan said today that he has warned Guatemala that Britain will defend its Central American colony of Belize—the former British Honduras—if Guatemala invades it.

"I indicated to the Guatemalan foreign minister during discussions we had at the United Nations," Mr. Callaghan told Parliament, "that, if there was an invasion of a British colony, we would fulfill our responsibility to that colony. He is in no doubt about our determination to do so."

Mr. Callaghan's statement followed the dispatch of about 400 British troops and planes to the Caribbean colony to beef up the British garrison of about 650 men.

The government said that it ordered the reinforcements after troop concentrations were placed on the border by Guatemala, which claims the colony.

In Guatemala City, President Kjell Laugerud today denounced the British troop buildup in Belize as "aggression" and said that Guatemala's Army was ready to "defend" its territorial claims on the British colony.

English Park Ranger

Is Killed by a Tiger

LONDON, Nov. 6 (AP).—A tiger killed a ranger in a safari park and an escaped circus lion mauled a boy in separate incidents yesterday.

The tiger attacked the ranger in Windsor Safari Park and mauled him to death before being chased away. In the lion incident in Gainsborough, eastern England, the 10-year-old victim was not seriously hurt.

## News Analysis

# Sadat Sees Trip Aiding Shift by U.S.

By Henry Tanner

WASHINGTON, Nov. 6 (NYT).—Egyptian officials feel that President Anwar Sadat, during his 10-day visit, has stated the Arab cause to the U.S. public and politicians in an unadorned yet moderate way and that U.S.-Egyptian relations as a result have become closer and more solid than at any time in the last quarter-century.

Mr. Sadat is believed to have left the United States feeling that he has won a major round in his long-range attempt to change U.S. policy in the Middle East from all-out support for Israel to at least relative "even-handedness" between Israelis and Arabs.

Nevertheless, the question remains whether his visit would have an immediate impact on the issue of war and peace in the Middle East.

There are no signs that it served in any way to make a second disengagement agreement on the Syrian-Israeli front more likely. Syrian newspapers and political leaders attacked Mr. Sadat and his policies every day he spent in the United States.

"Palestinian Front" Syrian President Hafez al-Assad, according to U.S. officials, is sticking to his statement that he will hold talks with the Ford administration about a new agreement on the Golan Heights only if there is simultaneous movement on the "Palestinian front."

Yet Mr. Sadat, according to Egyptian as well as U.S. sources, failed in his many efforts to pry the administration from its stated position that it will enter into contact with the Palestine Liberation Organization only if the guerrilla group recognizes the existence of Israel—something that the Palestinian leaders are not likely to do for a long time.

The high point of Mr. Sadat's trip, in the Egyptian view, occurred yesterday when he became the first leader of a Middle Eastern country to address the U.S. Congress. He was received there with far greater warmth than any member of his entourage had dared to hope.

In practical terms, the most tangible result of Mr. Sadat's visit was the initiating by Secretary of State Henry Kissinger and Egyptian Foreign Minister Ismail Fahmy of an agreement in principle intended to lead to the sale of two U.S. nuclear reactors.

Symbolic Value To the Egyptians, the U.S. reactors have a symbolic importance beyond their practical value because they signify access to the most modern U.S. technology.

Mr. Sadat won an administration promise of about \$1 billion in aid—\$750 million in economic assistance, subject to a favorable vote in Congress, and \$350 million in food aid that does not have to be submitted to Congress for approval.

Egyptian officials noted that the aid figure was four times the amount of U.S. assistance to Egypt during the current year and that there had been no U.S. aid for the eight years before that.

Mr. Sadat received no commitment—only a promise of further study—regarding his request for the sale of U.S. arms to be paid for by Saudi Arabia and other Arab oil-producing countries in the Persian Gulf. U.S. officials and Egyptian sources

agreed that he had not come with a list for arms.

Mr. Sadat is known to see his visit to the United States as his most important and daring act in the context of his policy to end Israel's virtual monopoly on U.S. support and Arab dependence on Russia.

Mr. Sadat's intention was to create the image of a reasonable and moderate but not submissive friend. He made a point of speaking out for the Palestinians at the United Nations. He stated that if movement toward a peace settlement broke down once more, the Arabs would have to resort to their right of self-defense under the UN Charter—a euphemism for war.

While stating on several occasions that he had no illusions about Egypt's chances of supplanting Israel as America's closest ally, he systematically sought to whittle away at U.S. support for Israel.

This is a basic element of Mr. Sadat's strategy, which holds that any support—economic, political or military—that the Arabs can get from the United States reduces its reliance if not absolute terms the U.S. support available to Israel.

In the minds of many Middle East experts here, his visit has left open the crucial question underlying the new U.S.-Egyptian relationship: Can the United States fulfill the economic and political expectations that Mr. Sadat's "American connection" has raised?

Mr. Sadat's reliance on U.S.

support remains, as he called it in a recent speech, "a gamble on the future."

Sadat in Britain

LONDON, Nov. 6 (UPI).—Mr. Sadat began a three-day visit here today during which British officials predicted he would seek support for his Middle East peace projects and a major arms deal that includes the Anglo-French Jaguar "supersonic strike planes."

Mr. Sadat was met by Prime Minister Harold Wilson at London Heathrow airport.

Violation Charged

TEL AVIV, Nov. 6 (UPI).—Foreign Minister Yigal Allon said today that Mr. Sadat violated an understanding when he criticized Zionism during his U.S. visit. Before leaving on a three-nation European trip, Mr. Allon also repeated Israeli opposition to proposed U.S. weapons sale to Egypt.

Investment Urged

WASHINGTON, Nov. 6 (AP).—President Ford has said he will urge U.S. businesses to "rigorously pursue" investments in Egypt to help rebuild and strengthen that country's economy.

"I know there is a great potential there not only for investment, but I think it would help in our bilateral relations," Mr. Ford told four Egyptian editors in a White House interview yesterday.

## Plight of Overproductive Employee in 'Paradise'

(Continued from Page 1)

and the government raised norms for many workers in most industries without increase of pay. When some managers complained that "Stakhanovite methods," such as arbitrarily increasing the speed of freight trains, were counterproductive, they got short shrift or worse.

Mr. Bogomolov, who is in his mid-40s, and has a wife and one child, has certainly not been given optimum working conditions. He has won membership in the Communist party, but he is far from being exploited as a hero.

The lack of a winning personality may be one cause of his problems. Even the sympathetic Izvestia accounts called him haughty, boastful, immodest and prone to say "things he should not." Last year he took an extra 10 days' vacation—

which the government newspaper called "flagrant and inexcusable absenteeism."

But he produces. He always was a good worker despite having had only seven years of regular schooling and then studied at a vocational training institute. On his own he studied higher mathematics and mechanics. He designed and built devices to improve milling techniques. One innovation was a national medal and his name was inscribed in the Book of Labor Glory.

Four years ago, the plant director "expressed an interest" in how much Mr. Bogomolov could earn a month. Taking it as a challenge, the worker retorted that he could make more than the director—and did. Turning out seven months' worth of parts in one month.

Los Angeles Times

## Assad Calls for New Basis For Peace Talks on Mideast

BEIRUT, Nov. 6 (WP).—Syrian President Hafez al-Assad yesterday demanded a new juridical basis for any new Mideast peace negotiations.

With the current mandate of United Nations disengagement forces on the Golan Heights due to expire Nov. 30—and with Mr. Assad remaining silent on any renewal—Syria asked for amendment of UN Resolution 242.

Adopted in Nov. 1967, following the Arab's defeat by Israel in the Six-Day War, the resolution served as the basis for two subsequent Security Council resolutions, at the end of the 1973 conflict, and in setting up the Geneva peace conference in December, 1973.

Specifically, Resolution 242 called for the recognition of Israel within secure and recognized frontiers in return for Israeli withdrawal from occupied Arab territory.

Direct Reference But Syria now wants the inclusion of a direct reference to the Palestinians' right to self-determination instead of the vague reference to Arab refugees questions, which is all the Palestinians received in the original resolution's language.

Any hint of legitimizing the Palestine Liberation Organization has automatically touched off Israeli resistance in the past.

Mr. Assad's action also was seen as a continuing campaign to embarrass Egyptian President Anwar Sadat, whose second-stage disengagement accord with Israel in the Sinai, reached in September, has been severely criticized in Syria. Mr. Assad also was seen as trying to move closer to the PLO.

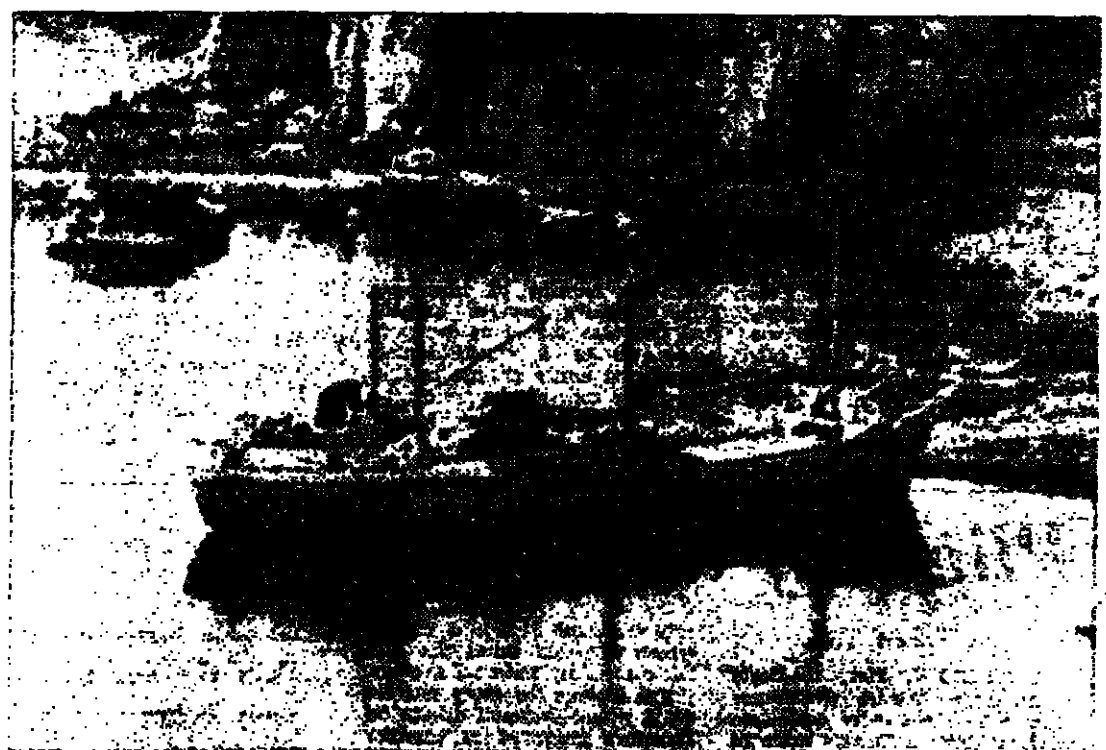
For months, Mr. Assad has been developing closer links with the PLO within the vague agreement of a joint command. With the rapprochement with Jordanian King Hussein, this tactic has bolstered him as he has shown a growing lack of interest in direct Golan negotiations with Israel, partly because the Israelis have said only "cosmetic" changes could be made.

And only last month, on the second anniversary of the 1973 war, Mr. Assad stated that his price for new peace talks was the opening of simultaneous talks dealing with both the Golan Heights issue and the future of the Palestinians on the Israeli-occupied West Bank of the Jordan River.

The new Syrian gesture seemed designed to embarrass the United States as well. Just this week, President Ford turned aside Mr. Sadat's suggestion for including the PLO in the negotiating process—a vague formulation but still apparently unacceptable to both the Americans and Israelis.

In a reiteration of U.S. policy, Mr. Ford said the United States would not recognize the PLO until the guerrilla organization recognized the state of Israel.

The last Syrian renewal of the UN forces' mandate was for six months, Egypt, in the September accords, pledged to renew "normally" the UN truce mandate in the Sinai.



The unidentified ship anchored near Beirut from which arms were reportedly unloaded.

## Lebanon Premier Says Army Ignored Order

(Continued from Page 1)

Lebanon's Communications Minister Tony Frangieh, son of President Suleiman Frangieh, a Christian, as the chief recipient of the arms.

The incident came to light late Sunday night, when Mr. Karami sent Army Col. Diab Kamal to investigate what informal sources claimed was a Palestinian commando tip about the arms shipment.

The colonel normally is a liaison officer with Palestinian commando groups.

Army troops apparently refused to stop the unloading. The sources claimed the ship discharged its cargo for four nights, sailing out to sea before dawn each day to avoid detection.

Faced with the army, initially intent on executing Mr. Karami's orders, village church bells in the heavily Christian area tolled late last night and early this morning. Hundreds of Phalangist supporters flocked to the port and placed themselves between Phalangist gunmen and the troops. There was some shooting but apparently much of it was in the air.

At some point, the army withdrew and the Phalangists cordoned off the area and finished unloading the ship.

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## Move to Save Ford on 'Party Squabbles'

### Rockefeller Explains Decision on '76

By Fred Farns

WASHINGTON, Nov. 6 (UPI).—Vice-President Rockefeller said today it was not because of party differences that he removed himself as President Ford's possible running mate next year but to save the President from "party squabbles."

Mr. Rockefeller said he came to Washington "to serve the country I love, and to help in solving the problems" it faces, not "to get caught up in party squabbles which only make it more difficult for the President in a very difficult time, when the problems of the country require his fullest possible attention."

The vice-president said at a news conference that he believes President Ford "will be nominated and he's my candidate." The statements were his first public comment on why he had asked Mr. Ford to remove him from consideration as a possible vice-presidential running mate next year.

While he conceded that he has had some disagreements with the President—such as over aid to near-bankrupt New York City, a move which Mr. Ford opposes—the former New York governor said the disagreements "were not the basic elements" in his decision.

**"I Speak Out"**  
"If I have basic differences, I speak out," Mr. Rockefeller said. His voluntary withdrawal from next year's vice-presidential competition, he said, "eliminated part of the problem which was the basis for the party squabbles."

"A minority of a minority" of conservative Republicans wanted him off the ticket, he said. A moderate-to-liberal Republican who three times has sought the presidential nomination, Mr. Rockefeller angered the Republican right wing in 1964 when he opposed Sen. Barry Goldwater of Arizona, the party's nominee for president. Forgiveness has not been extended swiftly.

He noted, however, that a

Southern Republican gathering in South Carolina that he attended had been expected to draw only 250 persons, but more than 700 turned up.

Mr. Rockefeller, 67, was vague about his political plans and refused to speculate about whether he might run for president himself. He did not, however, rule it out as a future possibility, saying only, "I have no plans beyond this news conference."

Mr. Rockefeller avoided saying what his own role will be next year. "I have no role, I'm not a candidate," he said. "I have said all along that the President, after his nomination, should select his running mate. People didn't seem to believe that but I took care of that by writing the letter" to Mr. Ford in which he stated his decision.

Appearing relaxed at the podium in the Executive Office Building's auditorium, the Vice-President said of Mr. Ford: "I think that he will be nominated and he's my candidate." Mr. Rockefeller said he does not believe the President need worry about an expected conservative challenge from Ronald Reagan, a former California governor.

#### Decision Accepted

He said that, when he told the President of his decision on Oct. 28, Mr. Ford did not try to convince him to stay on.

At the White House, Press Secretary Ron Nessen said Mr. Ford called the Vice-President after watching part of the press conference on television and told Mr. Rockefeller "I want to congratulate you and thank you. It was a superb job."

The spokesman quoted Mr. Rockefeller as saying he would campaign for Mr. Ford, speaking at fund-raising and other events in the President's behalf when his expenses are picked up by the Ford Committee, the President's election organization.

He said the Vice-President authorized him to make that statement.

Mr. Rockefeller said he "came here to help him (Mr. Ford) and not complicate his life." Instead, he said, he was himself becoming an issue as right-wing foes began attacking the prospective Ford-Rockefeller ticket.

"The only way I could take the issue out—which was me—was to write the letter," he said, although he said he did not feel he would have been a liability as a running mate for Mr. Ford.



**SURPLUS.**—Corn is piled high near a grain elevator in Yutan, Ill., 100 miles southwest of Chicago. A shortage of railroad equipment and elevator space combined with a bumper crop have contributed to similar scenes in the Middle West.

### U.S., Canada Asked to Systematize Exports

## World Code for Grain Distribution Urged

By Sara Hansard

WASHINGTON, Nov. 6 (UPI).—A prominent economist has recommended that the United States and Canada lay down ground rules for assured access to their food supplies by a world increasingly dependent on North American grain exports.

Lester Brown, in a paper released last week, said that the two nations should insist that fast-growing countries which import much of North America's grain make an all-out effort to reduce the growth rate of their populations.

He said that his plan was designed to change the present system, under which "in grain-short years, the United States and Canada, like it or not, must decide who gets food and who does not."

Countries whose agricultural output is "stagnating or lagging" should "do whatever is necessary to get production moving" and the world should immediately start refilling its reserve supply for emergencies, he argued.

Mr. Brown, who is president of Worldwatch Institute, a research organization, and is a former official of the U.S. Department of Agriculture, contended that rapid population growth, as high as 3 per cent a year in some nations, is the "single dominant factor transforming world trade patterns in recent decades."

**Loss of Exports**  
Latin America, Eastern Europe, Africa and Asia were net exporters of grain in the mid-1930s but now are almost entirely dependent on imports, largely from North America, he noted.

Mr. Brown estimated that the United States and Canada will have 82 per cent of the world's exportable grain in the current fiscal year. In fiscal 1975, which ended June 30, the United States exported 82.6 million metric tons and Canada 13.8 million metric tons, according to preliminary Department of Agriculture figures. The total world grain trade was 136.9 million metric tons for that year.

The two nations' share of the world grain trade has increased tremendously since World War II, he pointed out, and grain exports for the region nearly doubled in the 1970s. He said that one "source of global food insecurity and instability in the mid-1970s (is) the near total dependence of the entire world on one region—North America—for its exportable food supplies."

Since the climate tends to be the same in both countries, crops

could fail in both at the same time, he said.

He criticized the Soviet Union for making "secretive, erratic, massive... purchases" which "are a major source of instability in the world food economy," even though the Russians agreed, at the UN World Food Conference in Rome last year, to make available accurate information on its crop conditions and food reserves.

#### Other Problems

Other problems he cited are overconsumption by affluent nations, declining food reserves, the diminution of unused land that could be farmed in the United States, and inefficient agricultural systems in countries which otherwise could produce more. These systems, he said, are technically inefficient and do not reward farmers, especially small farmers, sufficiently to encourage greater production.

Mr. Brown's principal suggestion to counter these problems is the establishment of a joint U.S.-Canadian Commission on Food Policy, which would "in a very limited sense... parallel (the efforts of) the OPEC countries to manage petroleum." OPEC is an acronym for the Organization of Petroleum Exporting Countries.

The commission would "establish explicit guidelines" for dealing with the world food situation. Countries that followed the guidelines would be assured access to North America's exports and other countries would "receive no such assurances."

"Many will consider this proposal a blatant encroachment of national sovereignty," Mr. Brown said. "My only response is that no country is sovereign today, every country is coming to depend on the resources and co-operation of other countries."

## EEC Agrees to Talks on Sale Of Wheat and Sugar to Egypt

By David Haworth

BRUSSELS, Nov. 6 (UPI).—European Economic Community foreign ministers agreed here today to open negotiations with Egypt to supply it with 1 million tons of wheat and 750,000 tons of sugar a year for three years.

The wheat and sugar would be sold on commercial-risk terms with a small subsidy. Because of price fluctuations, it is impossible to estimate what amount of money will be involved.

The decision is a controversial one, agreed to very reluctantly by West Germany and the Netherlands, both of which have reservations about the principle of such long-term arrangements.

The European Commission originally proposed that any contract with the Egyptians should be on a fixed-price basis but this was vigorously opposed by the West Germans, who objected to the possibility that it could have imposed very considerable extra expense on the EEC.

**Surplus Problem**  
The West Germans insist, moreover, that it should be EEC policy to abolish structural surpluses in community food production, rather than seek customers outside the EEC to buy such surpluses.

The ministers also decided to forward to the European Investment Bank a Portuguese request to the EEC that part of the \$180 million earmarked as aid to Portugal be spent on improving housing for Portuguese refugees from

Angola. Much of the EEC aid fund is expected to be used to construct new industry which will employ the refugees.

**Developing Countries**  
BRUSSELS, Nov. 6 (AP-DJ).—The EEC agreed today on its 1976 scheme of generalized preferences under which about 110 developing countries can export a variety of manufactured goods and other products to the community at reduced tariffs and under quotas.

Goods valued at a little over \$4.2 billion will be affected by the EEC's new tariff plan for next year.

The agreement was reached by the EEC foreign ministers at the end of two days of discussions in Brussels, officials announced.

## U.S., Demanding Shift by ILO, Gives Notice It Will Quit Unit

GENEVA, Nov. 6 (AP).—The United States today served formal notice on the International Labor Organization that it intends to withdraw from the 125-member UN body, target of long-standing U.S. criticism.

Secretary of State Henry Kissinger charged in the official letter of notice that the ILO "appears to be turning away from its original objectives" but made it plain that the United States is prepared to reconsider its move if the organization "returns to its basic principles."

"The United States does not desire to leave the ILO," Mr. Kissinger said. "The United States does not expect to do so." ILO Director General Francis Blanchard, who had been forewarned of the U.S. announcement during a visit to Washington last week, said in a statement that the move was a "serious matter" and expressed "personal regret."

Mr. Blanchard, a French national, pointed out that withdrawal would become effective only two years after the notice of intent and that during this period the United States remained obliged to meet financial and other commitments. He said he would "at this stage" make no comment on the reasons for the U.S. action.

#### Communist Influence

The U.S. move followed a series of complaints, especially from U.S. labor, that the ILO was coming increasingly under Communist influence. In 1970, Congress withheld funds following the appointment of a Soviet citizen as an assistant director general. In June, admission of the Palestine Liberation Organization as observer to the ILO's annual conference prompted new U.S. protests and eventually a House vote to terminate all financial support. U.S. contributions make up a quarter of the ILO's regular budget, totaling \$80 million this year.

Suspension of the U.S. payments confronted the ILO with the biggest financial shortage in its 56-year history. The U.S. contribution for this year had been assessed at \$11.3 million. In addition there are arrears of \$1.1 million dating back to the 1970 feud. Legislation now before Congress would provide for payment of \$6.7 million of this year's contribution, plus the arrears.

The ILO said 28 other countries have not yet paid so far this year and others have made only incomplete contributions. Thus, almost half of the total assessments are outstanding. ILO officials said there were no plans,

however, for any cuts in next year's program. They noted that an economy drive has been under way for some time.

U.S. departure would not be without precedent. The most recent withdrawals included Lesotho, Albania and South Africa. The Soviet Union quit in 1940 but returned in 1954.

But there would be weighty arguments against final rupture. It would leave the Soviet Union as the predominant power in the organization and could provoke sharp criticism in the Third World, which benefits from ILO expertise in the field of manpower development. It might also jeopardize U.S. participation in the entire UN structure.

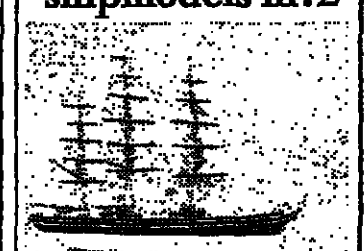
#### Waldheim Appeals to U.S.

UNITED NATIONS, N.Y., Nov. 6 (UPI).—Secretary-General Kurt Waldheim appealed to the United States today to maintain its membership in the ILO and to continue to support it. Speaking for Mr. Waldheim, a UN spokesman said, "The specialized agencies of the UN system... can work effectively only if based on as wide a membership as possible."

#### 132d SALT Meeting

GENEVA, Nov. 6 (UPI).—U.S. and Soviet negotiators yesterday held the 132d meeting of the Strategic Arms Limitation Talks.

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## U.S. Democrat Chief Sees Open Convention

By Jack Nelson

WASHINGTON, Nov. 6 (UPI).—Acknowledging "a tremendous lack of interest" in his party's current field of presidential candidates, Democratic National Chairman Robert Strauss said yesterday the nomination may go to someone who does not run in the primary elections.

If there is no victor after the second or third ballot at the convention, Mr. Strauss said, it will be "open season" in the Democratic search for a consensus candidate.

His comments, made at a breakfast hearing on the aid package, Mr. Strauss said, a group of reporters, seemed certain to

rankle some of the Democratic candidates who have insisted that the nomination will end the test of the primaries.

Mr. Strauss said he did not know why there was so little interest in the nine announced Democratic candidates but "maybe it's because of what they're saying or how they're saying it." He said that, while he finds no fault with what the candidates have been saying, "nobody's listening."

"Anyone who tries to predict the cast of characters at the convention before April 6 is a damn fool," Mr. Strauss said, adding that the field probably would thin out to four or five candidates after that date. By

April 6, the primaries of Massachusetts, New Hampshire, Florida, Illinois, North Carolina, New York and Wisconsin will have been held.

#### bloc Support

With four or five candidates going into the convention supported by blocs of delegates, Mr. Strauss said, "the odds are against anyone winning on the first ballot but the odds are for a victory by the third ballot."

But if there is no victory by the second or third ballot, he said, "then the decision must be made whether to pick one of the candidates or someone else."

Mr. Strauss said, "The candidates would have to be given a good full run first or it would be wrong. The American people would not stand for it if the candidates hadn't been around the track. But after that, he said, it would be 'open season.'"

Mr. Strauss said he has been meeting frequently with the candidates and their representatives to discuss mutual problems, including his desire that the candidates "not cut each other up."

Asked if he considered Alabama Gov. Wallace a "full-fledged Democrat," Mr. Strauss recalled that he had met with Gov. Wallace shortly after being named Democratic chairman in December, 1972, and had asked the governor to cooperate with the party.

#### Condition Met

He said Gov. Wallace agreed on the condition that Mr. Strauss treat him fairly and appoint someone to keep him informed of developments in the party. Mr. Strauss subsequently appointed a Wallace man, Michael Griffin, to the Democratic Executive Committee.

Mr. Strauss said he discussed with Gov. Wallace his participation in party politics several weeks ago at the Southern Governors' Conference. He said Gov. Wallace expressed dissatisfaction that some Democrats wanted him to take an oath to support the Democratic nominee but were not willing to take an oath that they would support him if he were the nominee.

But he said of Gov. Wallace, "He's kept his word and I've kept mine." Mr. Strauss said Gov. Wallace is "a full-fledged Democrat as far as I am concerned. He hasn't cheated on me and I haven't cheated on him." On another matter, Mr. Strauss said that, because of the way President Ford has conducted his office, "the value of incumbency has ceased to exist."

He called the President's Cabinet shake-up "purely political" and added, "It was bad politics, I thought out."

© Los Angeles Times.

## Kissinger Pushes Arms Aid

By Robert Siner

WASHINGTON, Nov. 6 (UPI).—Secretary of State Henry Kissinger today urged Congress to approve an administration request for \$4.7 billion in military and economic foreign aid. He said the money was necessary to strengthen political and economic cooperation with other nations.

As the opening witness at the House International Affairs Committee's hearing on the aid package, Mr. Kissinger strongly defended U.S. arms sales abroad. He said, "The United States cannot expect to retain influence with nations whose perceived defense needs we disregard."

The secretary was especially emphatic in his backing of the \$2.4 billion in military and economic aid requested for Israel and \$750 million in economic aid for Egypt. He argued that refusal to approve the funds could lead to

an upheaval in the Middle East that could "jeopardize the world's hope for economic recovery and increase the prospect of direct U.S.-Soviet confrontation."

He said the aid to Israel would continue the long-standing U.S. policy of keeping that nation strong enough to defend itself. "The case for Egypt," he said, "is equally strong. Egypt has courageously embarked on the road to peace and moved from confrontation to negotiation..."

The bill now before the committee is separate from a \$3.1-billion economic and humanitarian aid measure approved by the Senate yesterday that includes funds mainly for health, food and agricultural aid.

Mr. Kissinger contended that Israel's ability to defend itself "is currently undergoing its most strenuous test and, despite what we here in the United States would consider to be extremely stringent domestic austerity measures, it is clear that Israel must have both substantial economic and substantial military assistance."

In challenging criticism of increasing U.S. arms sales, especially to the newly affluent oil-producing nations of the Middle East, Mr. Kissinger said, "It is of substantial political importance to the United States that we will be able to respond to the felt needs of nations with which we seek constructive relations across the broad range of contemporary issues."

#### F-111 Down in England

MILDBENHALL, England, Nov. 6 (UPI).—A U.S. Air Force F-111 fighter crashed yesterday off the east coast near Boston, Lincolnshire. Its crewmen parachuted to safety, a spokesman said.

## Ford Departure For China Seen Late in Month

WASHINGTON, Nov. 6 (AP).—The timing of President Ford's planned trip to China is still being negotiated with Peking, White House Press Secretary Ron Nessen acknowledged today.

The acknowledgment, a day after U.S. officials said that Mr. Ford "fully expects" to see Chairman Mao Tse-tung, was the first indication yet that the President's journey might be postponed, at least for a few days.

Asked whether the timing of the trip was still being negotiated with the Chinese, Mr. Nessen replied that it was but said "the plans are all going ahead" for a late-November departure.

U.S. officials yesterday dismissed speculation that the trip is uncertain. "Neither side has called it into question," a high-placed source said.

Mr. Ford was to begin his four-day stay in Peking on Dec. 1. Precisely when he will meet the 81-year-old Chinese chairman has not been announced, as is customary.

## Party Card Exchange Set Up in Hungary

BUDAPEST, Nov. 6 (AP).—Membership cards of about 750,000 Hungarian Communists will be exchanged during the next few weeks, Central Committee Secretary Arpad Pullai has announced. He said that no major purge was planned.

Mr. Pullai said that the aim of the card exchange—the sixth since the Communists took power in 1948—was to strengthen the party's role. Card exchanges are often used as a method of weeding out undesirable party members.

#### Stromboli Eruption

STROMBOLI, Italy, Nov. 6 (UPI).—Lava pouring from two mouths of the Stromboli volcano for the second day rolled down a steep, bare mountainside into the Tyrrhenian Sea today, sending clouds of steam into the sky. The eruption began yesterday.

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## Mrs. Peron Denies Plans To Quit Post

In Speech Telecast From Hospital Room

BUENOS AIRES, Nov. 6 (AP).—President Isabel Peron declared in a telecast from her hospital room last night that she had "not resigned and I do not intend to resign."

Mrs. Peron's tone was firm but moderate as she said that she had not asked for another leave of absence and did not plan one.

The 44-year-old President was hospitalized early Monday following what the government called a gall bladder ailment. Other sources said that Mrs. Peron was in a highly nervous condition because of the mounting demands for her resignation.

A medical bulletin late yesterday said that her condition was "very satisfactory."

Although it was not yet clear how leaders of the armed forces would react to her speech, Mrs. Peron's political situation was bolstered by renewed support from the labor movement.

### Absolute Scorn

A leading Peronist labor leader, Lorenzo Miguel, had urged her Sunday night to resign. But the General Labor Confederation, the backbone of the Peronist movement, issued a communiqué expressing "absolute scorn at the public sentiments which vainly pretend to damage the mandate of the President."

The labor confederation told its 3 million members to be prepared to take part in street demonstrations should they become necessary.

Mrs. Peron's five-minute speech capped a day of tension in Buenos Aires during which military chiefs, cabinet members and congressmen held a series of meetings.

Demands for Mrs. Peron to step aside for someone capable of checking the economic crisis and terrorism were accompanied by allegations of financial misdeeds by the President and her closest advisers.

Hours before her speech, the Chamber of Deputies formed a committee of four Peronist and three opposition members to investigate allegations of "fraud against the public treasury and falsification of documents."

## French Unions Continue Strikes For Second Day

PARIS, Nov. 6 (Reuters).—French trade unions today cut gas and electricity supplies and disrupted postal services on the second day of an autumn protest campaign.

The 48-hour campaign of stoppages in the public sector, which began yesterday with a public transportation strike in Paris, is in support of demands for better pay and government action to reduce unemployment.

The unions want cuts in working hours and a reduction in the retirement age to fight unemployment, now at about 1 million.

Parisian commuters were affected again today as a morning power cut halted the Metro for about 20 minutes. Thousands had to leave the trains and walk to work. Electricity board officials said the power cuts, which began last night, generally lasted from 15 to 40 minutes.

Meanwhile, a three-week strike by Air France ground personnel continued. Eight flights were canceled today and others were delayed.



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## Scientifically, That Famous Bell Is Not What It's Cracked Up to Be

PHILADELPHIA, Nov. 6 (AP).—The Liberty Bell is not only cracked but might be the nation's most flawed treasure. "Scientifically speaking, it's a piece of junk," said metallurgist Mike Modes, who spent an entire night last week making radiograph pictures, similar to X-rays, of the nation's symbol of freedom. It was the first time anyone had ever examined the metallic structure of the Liberty Bell and it showed that the famous crack is only one of dozens of defects.

The crack—actually two cracks—occurred on July 8, 1835, while the bell was tolling the death of Chief Justice John Marshall.

Mr. Modes, who works for Universal Technical Testing Laboratory Inc., wanted to see if the bell is too brittle to be carried from Independence Hall across the street to a new display center late next month.

"I would say it is safe to move," he said yesterday. "But it's a mess."

There is, of course, the large crack that everyone knows about. It is also full of things called shrinkage and porosity.

These are soft spots created when the metal cooled after casting. They were common in metals of the 1750s, so the citizens of Philadelphia were not taken when they paid \$303 to London's Whitechapel bell foundry in 1752.



Mr. Modes said the Liberty Bell is in no danger of crumbling. "It looks like what you'd find in very poor commercial casting done today," he said.

## In Australian Budget Battle

### Whitlam's Charge of CIA Aid To Party Compounds a Crisis

By Fox Butterfield

CANBERRA, Nov. 6 (NYT).—An accusation by Australia's Prime Minister Gough Whitlam that a senior opposition political leader had close connections with the U.S. Central Intelligence Agency has further confused this country's deepest political crisis in years.

Mr. Whitlam, whose Labor government faces bankruptcy because it has been unable to get its budget passed in the opposition-controlled Senate, accused Doug Anthony, head of the conservative National Country party, of being friends with and accepting funds from a CIA agent.

The National Country party is a partner of the Liberal party in the opposition coalition.

Mr. Anthony and other opposition leaders have charged Mr. Whitlam with using unsupported innuendo to try to distract public attention from the Labor government's record of financial scandal, inflation and unemployment, now higher than at any time since the depression of the 1930s.

### Offers No Evidence

Mr. Whitlam, in fact, has declined to offer any evidence for his attack, asserting, as he did in Parliament yesterday, that he is "reluctant to expand too much on matters of security."

But according to a leading Australian newspaper, the Financial Review, the connection was furnished by an American who rented a house from Mr. Anthony for four months in late 1966. In a series of articles, the Financial Review charged that the man, Richard Stallings, was actually a CIA employee who used his friendship with senior Australian leaders to spy for U.S. interests.

Other knowledgeable sources here identified Mr. Stallings as an employee of the Advanced Research Projects Agency, a technical branch of the U.S. Defense Department, who came to Australia to help set up a top-secret satellite-monitoring facility at Pine Gap, in the middle of the continent. According to the sources, who declined to be named, Mr. Stallings was the project officer who originally opened the base, and not an intelligence agent.

### 'Dale Carnegie of Spies'

In an editorial, the Financial Review described Mr. Stallings as "the Dale Carnegie of the spy world, ingratiating himself not only into the friendship of Anthony and family but also into the senior echelons of Australian business and indeed into the confidence of senior officials of political parties."

Mr. Whitlam read the editorial.

## W. Germans Seize Illegal Weapons

FRANKFURT, Nov. 6 (AP).—Police raided depots of illegal weapons dealers throughout West Germany today and seized large quantities of firearms and explosives, including a guided missile, 13 hand grenades and 80 machine pistols, officials said.

A Frankfurt official said the confiscated weapons also included 526 rifles and carbines, 433 pistols and revolvers, 13 machine guns and 42,500 rounds of ammunition. Other items in the black-market arsenal were an anti-aircraft gun, a bazooka, a grenade launcher with 338 shells, eight packages of plastic explosives and other charges, the official reported.

## Nyereere to Visit Europe

DAR ES SALAAM, Nov. 6 (Reuters).—President Julius Nyerere of Tanzania will visit Belgium, Britain and the Netherlands in a European trip later this month, the government information service said.

## ICBMs, Tanks Not Expected In Soviet Fete

Analysts Puzzled By Parade Switch

By David K. Shipler

MOSCOW, Nov. 6 (NYT).—Western military analysts believe that, for the first time in at least 15 years, no intercontinental ballistic missiles will be seen in this year's parade through Red Square to mark the anniversary of the Bolshevik Revolution of 1917.

Furthermore, no tanks or other tracked vehicles have been seen in recent rehearsals for the parade, which is to take place tomorrow. Anti-aircraft missiles have been included, however, and experts have spotted a new surface-to-air missile system they had not known existed.

Kremlinologists who have heard about the changes are coming up with various theories to explain them. The analysts, who stand out on cold nights watching parade rehearsals, have not developed an explanation that satisfies anyone, however.

A theory holds that the Soviet Union, now at a critical juncture in negotiations with Washington to limit strategic nuclear arms, wants to put on a less warlike face. But some diplomats observe that the Kremlin has never before seemed uncomfortable about its military might, even while pursuing détente. And they note that, even without tanks and ICBMs, the parade will have plenty of impressive weaponry.

### Gold Guess

A second course of speculation is that Leonid Brezhnev, the Communist party leader, because of poor health, does not want to be out in the cold atop the Lenin Mausoleum for a long parade. The trouble with that theory is that the analysts timed the rehearsals and calculated that, even with the removal of 150 vehicles that were in last year's parade, this one is only six minutes shorter.

Finally, some think the tracked vehicles have been excluded because city officials have had enough of top-up streets. But a Western military man insisted that tanks do only superficial, not structural, damage.

In any case, it would not explain the deletion of the ICBMs, which normally are mounted on wheeled trucks or trailers. All other wheeled vehicles in last year's parade have been in rehearsals for this one, the analysts say.

In fact, the ICBMs, tanks and other vehicles with tracks—including personnel carriers and artillery pieces—were brought to the vicinity of Moscow, apparently because somebody thought they were going to be in the parade. The analysts say that they were in place by the end of September but that the decision apparently was made in the followings weeks to leave them out.

## Japan May Sell Reactor Parts To Soviet Union

TOKYO, Nov. 6 (NYT).—Japanese nuclear-reactor makers have recently begun negotiations with the Soviet Union to sell a large order of major reactor components.

Officials of Mitsubishi Heavy Industries, one of the companies involved, disclosed that the number of reactors had not been decided, nor had prices. But the negotiators are reportedly talking about equipment for 10 reactors worth \$1.7 billion.

If the transaction goes through, it will be the first Japanese sale of nuclear equipment to the Soviet Union and the largest such export of Japanese nuclear components. It will also be unusual in that a non-nuclear nation will be selling to a nuclear power.

Beyond the commercial aspects, the transaction seems certain to have diplomatic repercussions. The Chinese, with whom the Japanese have been trying to negotiate a peace treaty, have been sensitive to any Japanese move toward the Soviet Union.

The negotiations over the Chinese-Japanese treaty are stalled because the Japanese refuse to accept Chinese demand that it include a clause condemning Soviet attempts to gain "hegemony" over Asia.

## Senate Approves Open Meetings by Federal Agencies

WASHINGTON, Nov. 6 (WP).—The Senate voted 94 to 0 today to require federal regulatory agencies to open their meetings to the press and public.

The bill, which now goes to the House, was the second part of a package sponsored by Sen. Leavitt, D-Fla., and Sen. William Roth Jr., R-Del. Last night, the Senate voted 86 to 0 to require all Senate committees and House-Senate conference committee meetings to be held in open session, except where the committees vote to close them to protect secrets.

The open-session rule for Senate committees and conference committees—similar to procedures already adopted by the House—requires no further action and goes into effect immediately. The bill on regulatory agencies must pass the House before it can become law.

## Hanoi and Saigon Abandon UN Bids Until Next Year

UNITED NATIONS, N.Y., Nov. 6 (AP).—North and South Vietnam have abandoned until next year their campaign for UN membership, twice blocked by U.S. vetoes in the Security Council.

At the request of the Saigon and Hanoi observers in the UN, the General Assembly decided without objection yesterday to postpone the matter until its regular session next year.

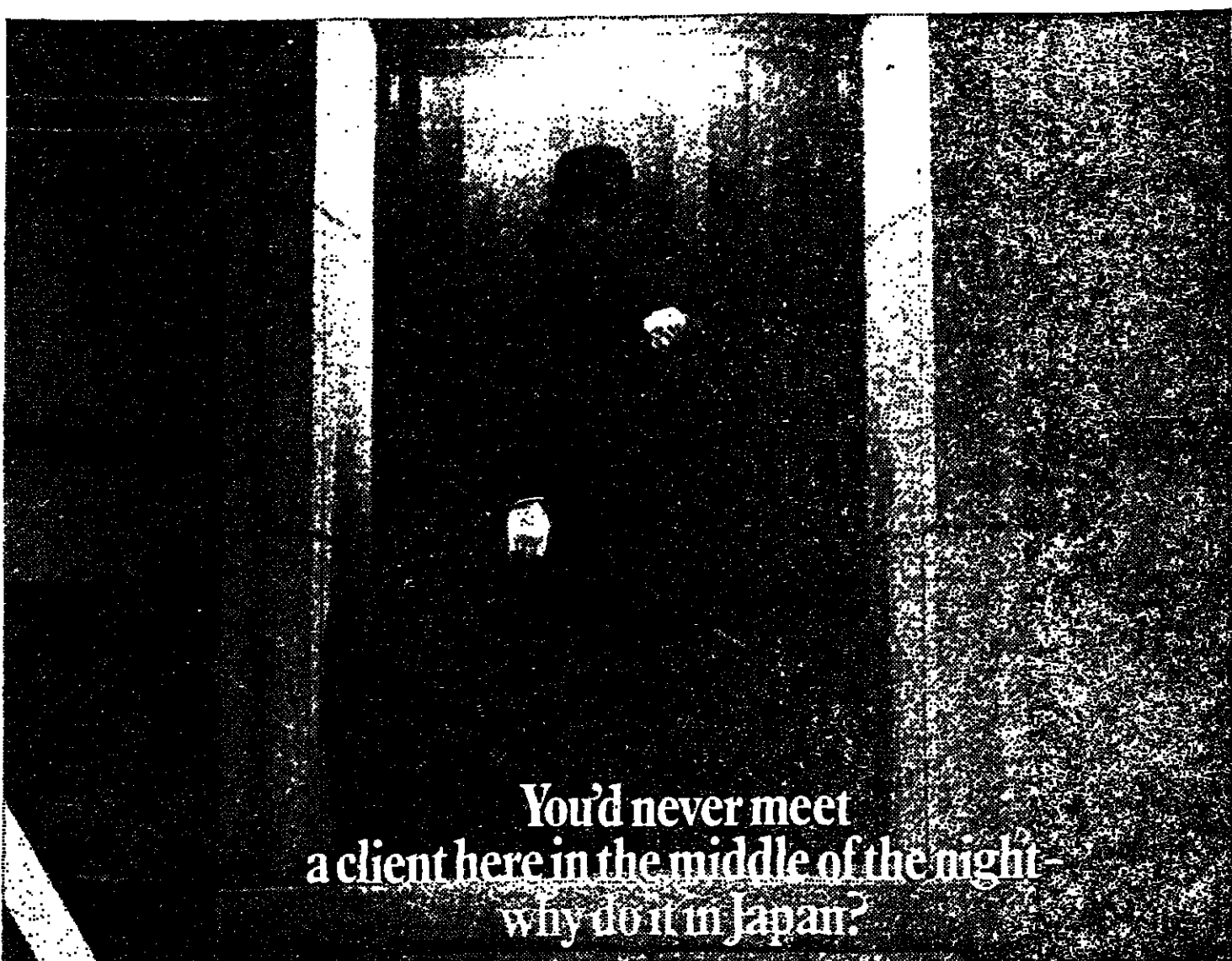
The General Assembly admits countries to the UN on a favorable recommendation of the 15-nation Security Council, where the United States, Britain, France, China and the Soviet Union have veto power.

The Vietnamese applications for membership came before the Security Council last year in recent months and were vetoed by the United States in retaliation for the continued exclusion of South Korea from the UN.

## Canada's Mail Strike Continues; Talks Fail

OTTAWA, Nov. 6 (UPI).—Talks to end a 17-day nationwide Canadian mail strike broke off today with the union's rejection of the government's final wage offer.

A government spokesman said the negotiating team for the striking 23,000-member Canadian Union of Postal Workers rejected a government offer of \$1.70 an hour over 30 months, which was recommended by a three-man conciliation board. A union spokesman said the offer was the same one rejected earlier.



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## Limits on the Welfare State

The abrupt shift in priorities by Prime Minister Harold Wilson's government has a certain historical importance. Countries which operate by the distribution of social welfare from an essentially capitalist economy have, when they ran into economic trouble, sometimes made radical shifts to new forms—as happened to the Weimar Republic in the Great Depression. Or they have simply bogged down in a tangle of political tensions, as in little Uruguay. Or they have swung from left to right in a narrow political arc through the electoral process, like the United States since the New Deal—or Britain itself since the "quiet revolution."

But for a government which theoretically is committed to democratic socialism and which operates in fact within a distributive form of capitalism to commit itself to a policy, which recognizes that the need for something to distribute is primary, is new. What remains to be seen is whether this approach will work in a world that is desperately seeking some genuine economic wisdom, after having proved that nearly all the conventional styles, whether derived from Adam Smith, Lord Keynes or Karl Marx, have fatal flaws.

Given the weaknesses of the dogmatic rationales, there is something to be said for the experimental avenues that Mr. Wilson seeks. Britain must export to live; in order to export, the economy must be com-

petitive. The old, relatively secure markets that Britain enjoyed as a result of its technological innovations, its quality merchandise and its links to the old empire, have very largely disappeared. Moreover, the restlessness and aspirations of the Third World are affecting the markets and sources of raw materials of nearly all the industrialized world. The increased costs which the latter imposed so blithely in terms of wages and welfare policies may well have reached their limits. Wrenching adjustments seem inevitable, in all the manufacturing countries.

Will these adjustments be accepted, either by investment capital or by labor unions? What incentives can be offered by government to these elements? Can it substitute government funds and direction for the former without losing the energy and drive so essential in a competitive world economy? And will the latter, so far removed from the risks and rewards of management, be able to fit their own desires for more pay and shorter hours into a national plan?

Mr. Wilson apparently intends to try to meet both of these requirements for a vigorous economic order, within the concepts of the Labor party but with a different scale of primary concerns. It will, clearly enough, not be easy and it poses its own perils. But at least it is better, more hopeful, more courageous, than simply drifting toward disaster under the tattered banners of the past.

## Questions on Economic Growth

As the United States contemplates the last quarter of the century, the questions about economic growth keep coming up with unexpected force. Part of the reason is certainly the growing environmental movement. Another is probably the misbehavior of the economy in the past several years. More important, a large and influential part of the U.S. public has evidently decided that it is living comfortably enough, and it is not prepared to make large sacrifices for further increases in production.

But ever since World War II governments here and in all of the industrial countries have taken it for granted that steady and rapid growth is essential to social and political stability. As the United States now comes out of its second recession in five years, the Ford administration is struggling to recover steady progress along the U.S. economy's accustomed trend line of about 4-per-cent annual growth in gross national product. That growth rate is now under challenge from two directions. Ecologists and conservationists put it as a moral issue: It is wrong to push for endless growth. But a group of systems analysts and management specialists, centered around Jay W. Forrester of MIT and Dennis Meadows of Dartmouth, warn that it is not a choice at all. The limits on growth are inherent, they conclude, and the only question is how advanced societies can adapt to them.

It is very much a matter of debate whether the first point of view will ever command a solid majority in U.S. politics, or whether the second will be proved accurate. But both have already acquired a substantial influence on public policy, and will certainly have an effect as the present recovery picks up momentum. The questions here are fundamental to the way that this country runs. The best approach to them is to consider the nature of growth, and what it has meant to Americans over the past generation.

In 1950, GNP per capita—computed in today's dollars, to keep inflation from distorting the comparison—was \$4,370. Currently it is just over \$7,000, although in the same period the U.S. population grew from 152 million to 214 million. That represents a staggering increase in national wealth. As husbands and wives say to each other: Where did all that money go? What difference did it make? Did it all go into pop-top aluminum cans and electric lawnmowers?

The biggest change produced by this enormous wave of prosperity has unquestionably been in the level of education. In 1950, half of all adult Americans had no more than a ninth-grade education. Today, half of all adults have finished high school and have done at least some college work. Among young adults in their late 20s in 1950, one out of every 13 had finished four years of college. Today, it is approaching one out of every four. These numbers explain much of the transformation of U.S. culture and politics. If a wise man had been asked a generation ago how this country might best use its coming wealth, he

probably would have answered first: Education. But the costs have been formidable. The country was spending about \$9 billion on education, including the universities, in 1950. Today the total is \$119 billion. It was 3.4 per cent of GNP in 1950; it is nearly 8 per cent now.

Another immense rise in expenditure came, of course, in health care. The United States spent \$12 billion on it in 1950, and spends around 10 times as much now. Here again, its share of GNP has almost doubled. What have we bought for this huge sum? First of all, a significant reduction in the infant mortality rate. It was 29 per thousand in 1950, and it's around 18 per thousand now. For the population as a whole, life expectancy at birth was 68 years in 1950 and is 71 now—although not all of that gain is owed directly to better medical care. The death rates for several large groups of diseases, most notably cardiovascular diseases, have hardly changed at all over the past generation. Doctors increasingly admonish the country that there is a clear pattern of self-destructiveness in the way a great many Americans live, and any further large improvements in Americans' health is going to require changes in their behavior. As for drinking, the death rates for cirrhosis of the liver are up sharply. Medical care can do wonders—but it appears that the greatest single contribution to the health and longevity of Americans in the past couple of years was not any great scientific breakthrough but simply the 55 miles-an-hour speed limit on the highways.

Greater wealth has meant vastly broadened protection of the elderly. In 1950, 3.5 million people were getting federal Social Security checks. Currently 32 million get them and the purchasing power of the average check has doubled. The fear of destitution in old age has always been one of the darkest shadows on human hopes and, although it persists, at least a part of the new national wealth has gone into alleviating it.

There is more to growth than waste, rising crime rates (the homicide rate has also gone up 150 per cent over the past 25 years) and hypertension. An expanding economy has given enormous support to genuinely civilized values during the long ride upward since World War II. Ought that ride to continue? As Herman Kahn recently observed, "The moral case for growth is the poor—the poor in the United States and around the world. Will it continue? Dr. Forrester and his colleagues have developed a provocative and interesting analysis arguing that it cannot. Theirs is very much a minority view, but there is a real possibility that this country may now be coming into a period of substantially lower growth than it is accustomed to. The great public achievements of the past generation have been financed out of expanding wealth. It is now necessary to begin considering how to protect and enhance those achievements in a period when there may not be much new money to pay for them.

THE WASHINGTON POST.

### In the International Edition

#### Seventy-Five Years Ago

November 7, 1900

NEW YORK.—William McKinley was re-elected President of the United States yesterday, defeating for the second time the Democratic nominee, William Jennings Bryan. Theodore Roosevelt, Governor of New York, was elected with him as Vice-President. It is obvious that the people have re-elected Mr. McKinley, not because they love imperialism more, but because they love populism and silverism less.

#### Fifty Years Ago

November 7, 1925

WASHINGTON.—The highest standard of living conditions ever reached "in all history" marks the economic progress of the United States in 1925, Secretary of Commerce Herbert Hoover declared today in his annual departmental review of business conditions. The report, which covered the period ending on June 30, cites the high rate of consumption, production, exports, wages, high realty values and low unemployment.



## N.Y.C. Default: Shock Wave Beyond the Hudson

By Leonard Silk

NEW YORK.—The odds are heavy—well-informed observers now put them at five-to-one or higher—that New York City will default within a month. If that happens, what will be the impact on the national economy?

The question cannot be answered "scientifically" because there are too many unknowns: the psychological reaction of financial markets at home and abroad; the degree of federal support that the Ford administration will extend to the city after bankruptcy; the actions that will be taken by New York City and State officials to cushion the shock, and the reactions of public officials, bankers, businessmen and individual persons throughout the United States to an event that is without precedent.

Despite the forecasting difficulties, however, it is essential to try to anticipate the impact of default—if only to establish the basis for future policy actions.

### Immense

The shock will be immense, but it will not all be felt on the day of default or even for weeks and months afterward. The city's publicly held securities total \$13.3 billion. Only \$3 billion of this amount is held by banks; the balance is difficult to trace, but the bulk of it is held by individuals, many of whom are pensioners and people of modest means, who will suffer serious losses of principal and interest.

The Federal Reserve will keep all major banks from going under by lending against their holdings of city and state obligations at par value. But the Securities and Exchange Commission will require the banks to disclose all doubtful securities in their portfolios, lest stockholders and depositors be misled.

Affected banks and other troubled lenders will cut their commitments to small businesses, housing, large corporations of less than the highest credit standing and other municipalities. The housing slump will be worsened; plant and equipment spending and state and local outlays will be dragged down.

### Double Impact

President Paul Volcker of the Federal Reserve Bank of New York and other competent observers now fear that there is grave danger that a New York City default will follow and compound the risks of a New York City default. This would double the impact. New York State has \$12.5 billion in securities outstanding, including Municipal Assistance Corporation bonds replacing \$2 billion of city debt. Together, of their combined public debt obligations of \$23 billion, New York City and State owe \$10 billion at short term. Defaulting on the short-term debt would be a heavy blow to individuals and businesses throughout this region.

Will other regions benefit if New York and its surrounding region go down? Perhaps, but it is well to remember that the northeast cannot be saved off and allowed to float out to sea; it is not an island but part of the mainland. The Ford administration likes to stress the international interdependence of the United States; we are even more interdependent within the nation.

Quantitative estimates of the cost to the nation of a New York City default vary with the assumptions made and the economic model used, but they are broadly consistent. The most "optimistic" estimate of Data Resources Inc., a consulting firm used by private corporations and by the President's Council of Economic Advisors, is that a New York City default would cost the nation \$14 billion in lost national production and 500,000 jobs. Similarly, the most favorable estimate of the Brookings Institution at the University of Pennsylvania is for a loss in national output of \$10 billion and a loss of 430,000 jobs. Less optimistic assumptions would roughly double those estimates. And a default by New York State, coming on top of

the city's bankruptcy, would double the costs once again.

The U.S. Treasury would be impacted. Tax revenues would fall by billions and federal spending would rise to make good President Ford's promise to pay for police, fire and other "essential" services—though what that term means remains unknown. New York's ability to borrow impaired for years to come, and its tax base shrinking as businesses migrate from the area, could become a long-term ward of the federal government.

Other cities—especially those of the Northeast but not those exclusively—fear the threat to themselves. Mayor Peter Flaherty of Pittsburgh, who has run a tight fiscal program in his own city, said, "I don't want to see

the world's most dynamic city go down the tube—it's just too important."

Foreign governments are deeply worried. Chancellor Helmut Schmidt of West Germany vainly tried to convince President Ford of the threat of New York's imminent collapse to the international economy. The loss of New York's position as the world's premier financial center could have reverberations for years to come. Foreign government and banking officials have until recently been unable to believe that the U.S. government would permit this to happen. The sudden fall to the international economy, skillfully laboring to climb out of the most severe recession of the post-war period, could be the greatest danger immediately ahead.

## The Irony of the Colby Firing

By Anthony Lewis

The picture of a man trying to convince himself that he is somebody.

In dismissing Colby, the President was surely reflecting the discomfort and annoyance caused to him by the continuing intelligence investigations. Colby would hardly expect personal sympathy for being made to carry the can. His pale blue eyes have seen much horror, in a lifetime of his own and others' clandestine activities. The questions are of policy, not sympathy.

### Crisis of Confidence

Colby has been trying to steer the CIA through an extraordinary crisis of public confidence. His aim is to have the informed public accept, in the end, that the United States must have an effective intelligence service. He thinks the only way to do that, on a lasting basis, is to convince people that the days of extensive CIA illegalities are over.

To that end, Colby accepts the idea of public accountability for the agency. That does not mean publishing intelligence secrets far from it; Colby wants legislation to help the CIA keep secrets. What he has made clear he would welcome is real congressional oversight, by a permanent joint committee, with a professional staff. He remarked last month that he would be prepared to let such a committee look at any file in the CIA's Langley, Va., headquarters.

Over the last year or so Colby has gone so public that many veteran CIA-watchers were bewildered. He replied to newspaper disclosures, and he brought citizens' groups like the local Chamber of Commerce in for lectures. All that upset some officials, possibly including the President. Colby's view was that the days of pretending that the agency did not exist were over.

As veteran of the old gunboat heyday, Colby could never be an altogether convincing person to lead the agency into a new, more accountable age. When asked about that, he said he recognized the difficulty but hoped to guide the transition through the investigations and the resulting legislation before a new, more independent figure took over.

Whichever one thinks of Colby, it can hardly create confidence in President Ford's commitment to reform the CIA to have him fired in the middle of the investigation process. It is equally unconvincing for the President to choose as his successor a former chairman of the Republican National Committee.

If there is anything the agency does not need at this point, it is an ambitious partisan figure such as George Bush. The President made it worse at his press conference by saying that Bush could not be ruled out as a vice-presidential candidate next year.

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No one should be surprised by this latest evidence of Mr. Ford's passive acceptance of Kissinger's desires. Mr. Ford came to office at a moment when the public was extremely skeptical of a man who had been in the White House for a long time, and who had a reputation for pronounced views, distinguished or otherwise, on foreign policy.

A series of accidents have landed Mr. Ford in a position higher than any to which he ever aspired, higher than any to which even his most warm admirers recommended him. Regarding foreign policy, he is drifting on a stormy sea he never asked to sail, and he is clinging to Kissinger the way a cruise ship clings to the rail of a quayside ship.

The night Richard Nixon resigned about 14 hours before Mr. Ford was sworn in, Mr. Ford came out in front of his suburban Virginia home to say a few words to the watching world. His most obviously heartfelt words were that Kissinger had agreed to stay about. Mr. Ford has done nothing possible to make his pleasant abode.

But Mr. Ford and the nation will pay a price for protecting Kissinger from the competition of men of Kissinger's stature. The removal of Kissinger will alarm our NATO allies who by and large trust him and who by and large trust Kissinger rather less. It also will confirm both the Soviet Union and China in their not unreasonable beliefs that the U.S. is still willing to sacrifice a lot on the altar of Soviet cold humor.

Regarding domestic politics, the firing is the latest in a long series of blunders that have caused Ronald Reagan to smile about Mr. Ford's competence as the President. It is well to remember that the series of blunders began last summer when Kissinger instructed Mr. Ford in the interest of Soviet good humor, to snub Alexander Solzhenitsyn. Kissinger is one of Washington's most gifted survivors. Mr. Ford may not be.

## Dampening Dissent by Blandering

By George F. Will

WASHINGTON.—The firing of Defense Secretary James Schlesinger was a foolish thing done in a foolish way.

Gerard Ford, the incumbent, has seemed less than presidential recently. He certainly did not seem presidential when he remained silent while newsman notified a distinguished public servant that Mr. Ford fired him. And he will not seem presidential as long as he seems subservient to the desires of Secretary of State Kissinger.

The fact that Donald Bragg, who sits at Mr. Ford's right hand, got Schlesinger's job indicates that the firing was, to a certain extent, a routine exercise in Washington's ceremonial. Kissinger is more gifted than Schlesinger was as a Washington operator. The firing virtually completes the purge from the executive branch of those who dissent from Kissinger policies.

That probably is why the firing, there is every reason to believe, is Kissinger's "blatant" reason to believe that Mr. Ford has independent views—indeed, independent views—touching foreign policy.

Schlesinger believes, what, according to recent polls, most Americans believe. He believes that the Soviet Union is hemming in the United States from the policy of détente, as conceived, formulated and administered single-handedly by Kissinger.

There is an absurd rumor that Schlesinger was fired because he was insufficiently skilled in handling Congress. If that were a reason for firing cabinet officers, Kissinger would have been fired for his misreading of the problem of aid for Turkey.

And there is breathtaking cynicism in linking Schlesinger's dismissal with meaningless removal of Kissinger as head of the National Security Council, and the replacement of him by his obedient servant, Gen. Brent Scowcroft. Only politicians at the highest levels of our government are cynical enough to believe that people will be taken in by this transparent ruse. It is an attempt to make Kissinger seem to be sacrificing something, while actually he is sacrificing nothing.

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## French Bruise 'Black Mikado'

By Thomas Quinn Curtiss

PARIS, Nov. 6 (UPI)—The Black Mikado (at the Théâtre de la Ville) is the first attempt to present a Gilbert and Sullivan opera in French translation. This 10-year delay is difficult to explain because Gilbert's melodies have been a standard of French musical theater for more than half a century and as French audiences relish satire why have they been deprived of Gilbert's satirical wit until now?

In 1885 Gilbert and Sullivan completed their revolution of the English musical stage with "The Mikado." Japan was just emerging from obscurity and everything about it seemed strange, romantic and exciting. But "The Mikado" is Japanese in its setting and costumes alone. "In this play," wrote G. K. Chesterton, "Gilbert pursued and persecuted the evils of modern England till they had literally not a leg to stand on. I doubt if there is a single joke in the whole play that fits the Japanese. But all the jokes fit the English."

In the United States—as in England—it became and remains the most popular of its authors' works. Shantelavsky played it in Moscow as long ago as 1880 and it introduced the entire D'Oyly Carte repertory to Germany, where it continues to thrive.

In a Berlin production of 1927, Nanki-Poo was Americanized in flames and blazes. Katsina arrived in a real automobile and in a tailor-made suit of bewildering pattern; the Charleston was jugged by a troupe of semi-clad women and Yum-Yum indulged in a striptease leading number prior to the wedding ceremony. It was this staging that inspired the American "Swing Mikado" and "The Hot Mikado"—with Bill Robinson as the Son of the Sun in bowler hat, tap dancing on a flight of stairs—and led to the present "Black Mikado," a current London hit, on which the French version is based.

A scene from the Paris production of "The Black Mikado."



Pierre Daninos, author of "Les Carnets du Major Thompson," a French humorist who is a staunch Anglophile, has translated the Gilbert lyrics, and when they can be heard above the din at the Gymnase he appears to have executed a very fair job, at least with "That the Punishment Fit the Crime," "A Wandering Minstrel" and "The Willow." However, the Lord High Executioner, Ko-Ko, has either lost his famous list ("of those who would not be missed") or it has been so smothered in the confused proceedings that it is impossible to identify and one of the most brilliant passages in all musical comedy is missing.

...the idiot who prides, with enthusiastic tone, All centuries but this, and every country but his own; And the lady from the provinces, who dresses like a guy,

And who doesn't think she waltzes, but would rather like to try!

Alas, there is no consistent style to this French venture. Maurice Flaton as Katsina makes the most professional impression, not rigorously following the company's general policy to sing "off." Koukou Tola is a genial Mikado and his singing of "That the Punishment Fit the Crime" throws the chill that troubles the show, but Jose Mas-sal's Ko-Ko is scarcely more than an energetic try. Guy Grosso, the one white member of the troupe, would do better as Poch-Bah if he simply recited his lines instead of attempting to sing them. Katy Amalio with corn-row hairdo is ornamental as Yum-Yum but is vocally and histrionically limited. Paul Franck Raubaud has mistaken Nanki-Poo for Tarran.

cardboard mountain. The costuming, sometimes inventive, is of garish hues. The choreography of Amadeo is often a helpful relief. It, too, mixes matters with dances going Zulu, but why not? The direction, however, resembles that of a minstrel show with players coming forward for their scenes and then awkwardly retreating to await future cues.

This "Black Mikado" has had a rough Channel crossing. It comes to us bruised black and blue.

## Needed: New Approach to Quality Production

By Jon Winroth

PARIS, Nov. 6 (UPI)—Just as Bordeaux was beginning to recover from the effects of last year's fraud trial, another "reputable" Bordeaux firm, De Luse, is accused of stabilizing wine for export to the United States with sodium nitrate, an illegal and toxic substance.

This time the wines involved are not Bordeaux but Chablis and other white Burgundies handled by De Luse. If Bordeaux's former office of probity was tarnished by the first scandal, it will now be thoroughly sullied. And consumers do not always make the nice distinction between estate-bottled wines and shipper bottlings. Thousands of innocent winegrowers will suffer along with the shippers. Furthermore, the integrity of French wines in general is brought into question by the repeated discovery of such practices.

Of 30,000 growers in the Bordeaux area, only 3,500 bottle their own wines. The more fortunate producers of chateau-bottled wines began to take their distance from the shippers after the last scandal.

### New Groupings

New groupings, such as the Union des Grands Crus de Bordeaux, including top-ranked growers of Graves, Médoc, Fronsac, Saint-Emilion and Sauternes, are trying to develop their own distribution system and direct sales to the consumer. But this is little help to the remaining 88 percent of the growers, completely dependent on the shippers to whom they sell their wine in bulk.

Both wine scandals came at

awkward moments. Following the general economic downswing, a drastic slump in prices hit Bordeaux only a few months before the first scandal broke. The second scandal comes at an even worse time, just as exports, sales and prices began to rise again with a boost from an exceptionally fine, if small, vintage.

Bordeaux was hoping to attract a lot of attention this week with the regional development of Aquitaine exhibition at the Maison de la Radio in Paris. On Monday, former Prime Minister and Mayor of Bordeaux Jacques Chaban-Delmas inaugurated the show together with his former political rival President Valéry Giscard d'Estaing, amid rumors of the new scandal.

Many see political overtones in the timing of this scandal, on the order of what's bad for Bordeaux is bad for France. Chaban-Delmas, the mayor's political career is said to have been heavily backed by the Cruise family, several members of which were convicted of fraud last year.

This is mere speculation, but one thing is sure—this scandal is doing nothing for the reputation of the French wine trade and French wines. What good is it to have strict laws if these laws are regularly and rather easily circumvented by shippers? People have been taught to believe that the words *appellation d'origine contrôlée* (AOC) on wine labels are a guarantee of authenticity and integrity.

### First Scandal

The first scandal damaged the notion of authenticity and now the chemical integrity of French wines is under a cloud. It would seem that a whole new approach to quality wine production is

needed, and only two regions in France have put themselves largely above suspicion by the rules governing the production of wines there.

All AOC wines in Alsace must be bottled within the two departments that make up the province. Even more exacting are the laws covering the making of Champagne. Not only must all Champagne be bottled within the province of that name, but Champagne firms may handle only Champagne and other wines from the province (i.e., nonsparkling Coteaux Champenois, red and white). They are not allowed to deal in or even stock any wines from outside the production area.

If the 200 Bordeaux shippers

were to deal in nothing except wines from the department of the Gironde, within which all 3 million hectoliters of Bordeaux AOC wine are grown, these scandals might never have taken place. And the same ought to be true for Burgundy, Beaujolais, the Rhône Valley, Provence, the Loire Valley, the Jura, the Midi, and any other major wine region.

In any case, something will have to be done soon to restore the integrity of French wines in the mind of the consumer, whose cynicism has just made a quantum leap forward. And it is not going to be improved as financial predicaments and/or further scandals of the Bordeaux trade come to light.

### Other Firms

Other firms are said to be implicated in fraudulent practices and at least one is widely rumored to be in financial straits, the firm of Chastet. Nor, apparently, can it find anyone to bail it out, despite an enticing ownership of prestigious first-growth Coteaux Margaux.

The problem lies in the fact that wine is both a highly salable commodity and something of an art form. As such its evaluation is always subjective to a large degree and this leaves considerable room for fraud, as is often the case with works of art.

Once a wine has left the grower's property in anything but bottles, its later authentication becomes impossible. Thus the only advice to consumers who want to be certain of the origin of a wine is to buy only estate-bottled wine (*mise en bouteille au chateau, a la propriété or au domaine*). And even this does not guarantee that the wine will be good, merely that it comes from where it says it does.

## Belgians Jailed For Art Thefts

BRUSSELS, Nov. 6 (Reuters).

Two Belgians were jailed today for eight years and two years for receiving art treasures stolen last year in France and West Germany.

Rene Van Den Bergh of Spy, in southern Belgium, and Henri Tattergrain of Brussels were said to have handled works of art worth \$3.5 million stolen from a museum at Balleul, in northern France, and a church at Oberwesel, near Koblenz, in West Germany.

Van Den Bergh, who was said to have organized the thefts, was given the eight-year sentence.

A Dutchman, Benoit Bartholomeux of Heerlen, who was charged with receiving three statues, was acquitted for lack of evidence.

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## SHARPS AND FLATS

PARIS—Lynny Skynny and the New Blue Grass Connection will be at the Salle Pleyel Nov. 7 at 9 p.m. Weather Report will be in the same hall Nov. 10, also at 9 p.m., and in Strasbourg Nov. 12. A New Orleans night at La Mutualité on Nov. 8 will start at 8 p.m. and feature 16 orchestras. Nancy Holloway will be one of the attractions. Milt Buckner will be heading the Caveau de La Huchette Nov. 10-22, accompanied by Dany Davis and Henri Tichitz. Rhoda Scott is giving a concert at the Hotel Intercontinental Nov. 14 at 8:30 p.m. The Newport Jazz Festival is at the Palais de Chaillot through Nov. 9.

ZURICH—A rhythm and blues concert featuring among others, Bo Diddley, "Guitar" Wat, "Mighty Flea" Connors, James Booker, "Screamin'" Jay Hawkins and "Panama" Francis will be given at the Volkshaus Nov. 9 at 8 p.m. Pianist-singer Alice Darr is appearing nightly at the Nova-Park Hotel.

GENEVA—Jimmy Woods is featured the entire month of November with Swiss and French groups at the Popcorn Club. Chris Woods will be with him Nov. 12 to 15.

MUNICH—Vicky Leandros will be at the Kongressaal des Deutschen Museums Nov. 10 at 8 p.m.

FRANKFURT—Sarah Vaughan will be the featured attraction at the Jahrhunderthalle Nov. 10 at 8 p.m.

The Golden Gate Quartet, continuing their tour of Germany, are in Garmisch Nov. 7 at the Bismarckhaus, in Euskirchen Nov. 8 at the Stadtheater, in Solingen Nov. 9 at the Konzerthaus, in Bonn Nov. 11 at the Konzerthaus-Wegelerstrasse, in Düsseldorf Nov. 12 at the Schumann-Saal and in Andernach Nov. 13 at the Apollo-Theater.

LONDON—Count Basie and his

orchestra are at Ronnie Scott's through Nov. 8. Blossom Dearie comes in Nov. 10 for four weeks.

Johnny Griffin, touring Britain, will be in London Nov. 8 at the Bull's Head; the following evening in Stoke at the George Hotel; in Liverpool Nov. 10 at the Adelphi Hotel; in Manchester Nov. 11 at the Royal and the Wall and in Leeds Nov. 12 at the Anchor Inn.

COPENHAGEN—Dr. Hook and Unicorn will be at the Tivoli Concert Hall Nov. 9 at 8:30 p.m.

The Delta Rhythm Boys, continuing their tour of Sweden, are in Göteborg at the Hotel Scandinavia through Nov. 12 and then open the next night in Jonkoping at the Stora Hotellet.

This week's top singles are, in the United States: "Island Girl" by Elton John; and in Britain: "Space Oddity" by David Bowie. —FRANK VAN BRAKLE

## In Paris

## Big Names and a Cooking School

By William Claiborne

PARIS, Nov. 6 (UPI)—When we entered the door of La Varenne, there was a distinct and far from unpleasant mingling of odors—roast meat, with the good smell of game, celery, apples and fresh paint.

We made our way over the lines of a newly installed telephone, walked up a freshly tiled stair to a large, brightly lit room where, at a spotless, modern gas range, a young chef applied himself to multiple good things including a roast *pigeon d'agneau* or leg of lamb (cooked in the style of venison, thus the seeming smell of game); strips of celery root to be turned into olive-shaped and braised; and a caramelized apple tart, *tarte tatin*.

As he worked, the chef offered a running explanation of what he was about, his remarks simultaneously translated into English by a handsome Englishwoman for the benefit of anyone in the audience who did not speak French.

It was a preliminary, indeed, the first demonstration at a yet-to-open cooking school in Paris that numbers among its sponsors and investors some of the best known food personalities on both sides of the Atlantic including James Beard, Julia Child and France's Simone Beck, better known in the food world as Simca.

### 17th-Century Chef

La Varenne, situated on the site of a former Left Bank bistro and only a few steps from Les Invalides.

### A Correction

Virginia Gilderalee, dean of Barnard College, was chairman of the board of directors of Reid Hall in Paris, not president as indicated in the IHT on Oct. 14. Dorothy Reed was president of Reid Hall, Inc., not the directors. The IHT regrets the error.

valides, is named after Francois Pierre de la Varenne, a chef of the 17th century celebrated as author of the very first systematically planned French cookbooks.

The school, spread out on three floors, is impressively modern. The bottom floor consists of a cellar and storage room for produce and wines; the ground level consists of a reception area and kitchen, equipped with electric stoves; and the upper floor, where the young chef worked, the main kitchen and demonstration room, agleam with copper and stainless steel copper utensils plus other accoutrements for cooking.

The director of the school is Anne Willan, who has for some time had her wooden spoons and wire whisks in numerous kitchen endeavors both in the United States and abroad. Among her other credits she has a master's degree from Cambridge University and a diploma from the Cordon Bleu in Paris. She was at one time food editor of the Washington Star and is the author of a cookbook, "Entertaining Menus."

"We intend," she said, "to instruct in every facet of French cooking—sauces, roasts, fish cooking, pastry and dessert making, soups, hors d'oeuvres and so on. We will also teach some of the world's best dishes not in the classic French repertoire—

such things as omelette, risotto, gnocchi and pasta dishes. "The principal chef," she continued, "is the young man you just met, Michel Marolleau, a marvelous young teacher who has spent much of his life cooking in small restaurants in the provinces. He will do most of the cooking and I will assist. I'll also have the assistance of Jamie Berquist, the only American to graduate with top honors at the Jean Drouant hotel school for professionals here in Paris."

The concept of La Varenne is Miss Willan's. The British-born director, who is the wife of Mark Chermiavsky, an economist with the World Bank, and who is the mother of two children, has pursued her dream for more than four years. In the course of it, she has had to overcome numerous obstacles, not the least of which is a technicality under French law prohibiting the opening of licensed businesses without French partners. Finally, after months of negotiations she gained the encouragement and partnership of Sofitel, one of the largest hotel chains in France. There are two Sofitel hotels in the city, the Sèvre and the Bourbon. La Varenne is contiguous to the Sofitel Bourbon at 34 Rue St. Dominique.

The school will open officially next Monday. There is a choice of two courses, or one may choose a combination of both. Morning sessions will be student participation, afternoon classes will be of a demonstration nature. The cost of enrollment will range from a simple one-time two-hour demonstration class in the afternoon, priced at about \$9.50. The cost of a one-week, five-day session, including four participation classes and five demonstration classes, is the equivalent of \$168. A 12-week "diploma" course costs approximately \$2,000 and the ultimate diploma course costs \$5,500. At the end of each morning session the food prepared that day will be served to the students along with simple red and white wines.

## Film Ban Overruled

By Israeli Court

TEL AVIV, Nov. 6 (AP)—The High Court of Justice has overruled a government censorship committee that had banned "The Night Porter," an Italian-made film starring Dirk Bogarde as a Nazi officer and Charlotte Rampling as his former prisoner with whom he has sexual relations.

The censorship board had said that Israelis who survived the Nazi death camps were offended by the picture.







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BUSINESS

FINANCE

PARIS, FRIDAY, NOVEMBER 7, 1975

Page 9

**British Slump Is Continuing, Survey Shows**  
**No Change Expected in the Near Future**

LONDON, Nov. 6 (AP-DJ).—Britain is still in the midst of a "deep recession," and this situation "will change only slightly in the immediate future," the Confederation of British Industry (CBI) says in its latest industrial survey.

Although the survey showed several indications that manufacturing industry as a whole is at or close to the trough of the present cycle, the CBI, Britain's major business federation, said:

- Unemployment, now at its highest level in 10 years, will continue to rise sharply. Nearly 10 per cent of the 1,923 companies queried expect to cut their work forces in the next four months.
- Capital spending plans continue to be weak. Two out of every five firms queried expect to cut investment in buildings, plant and machinery over the next 12 months. The CBI sees manufacturing investment dropping 10 to 15 per cent this year and a further 5 per cent next year.
- Nearly three-fourths of the companies in the survey are operating below full capacity, and 83 per cent of them expect output to be constrained in the next four months because of a shortage of orders or sales.

The CBI surveys are taken quarterly, with the information for the latest one being received from Oct. 6 to 22.

**Consumer Goods Recovery**

The CBI said its survey indicated that the consumer goods sector is "showing tentative signs of emerging from recession."

The CBI also said that although the trend in export orders has remained weak, firms are slightly less pessimistic now about the export order outlook over the next 12 months.

Although the apparent stabilization of manufacturing capacity, the CBI said, is more a result of the rebuilding of inventories than renewed demand, the CBI repeated its warning to the government "against any fiscal stimulus to consumer spending."

"The need to reduce inflation and to correct the balance-of-payment position is still paramount," the CBI said.

Commenting on the continuing decline in capital spending, the CBI said that "the government's direction in this field 'serve only to limit investment authorization.'"

"As we have so frequently argued, government must pay more than lip service to the concept of a profitable private sector, for prospective profitability lies, of course, at the heart of the investment decision," it said.

Yesterday, representatives of the CBI, the trade unions and the government agreed on a joint effort to end Britain's industrial decline.

Studies are going ahead with the aim of regenerating industry and making it more efficient.

On the London Stock Exchange share prices closed at their highest level of the year despite some late-afternoon selling that reduced earlier gains.

The Financial Times index closed at 386, up 5.2 points from yesterday and was 0.7 point above the previous 1975 closing high of 385.3 set June 5.

**Shell Profit Falls 29% In the Third Quarter**

LONDON, Nov. 6 (AP-DJ).—The Royal Dutch/Shell group reported today a third-quarter net profit of \$218.9 million, down 29.7 per cent from \$304.3 million in the same period last year.

Sales totaled \$4.58 billion, up from \$4.45 billion.

Net income for the nine months to Sept. 30 was \$274.3 million, down 22.6 per cent from the

**Burmah Sells Part of Stake In Shell Oil**

LONDON, Nov. 6 (AP-DJ).—Burmah Oil Co. today reduced its holding of shares of Shell Transport & Trading Co. through the sale of about 4.6 million Shell shares at a price of 387 1/4 pence a share.

The sale was valued at about \$18.9 million.

The shares were placed with various financial institutions, Burmah previously indicated that it might sell some of its 11.9-million Shell shares when market conditions were favorable.

**Copperweld Drops Action On Imetal Bid**

NEW YORK, Nov. 6 (REUTERS).—One of the most hotly contested corporate take-over battles moved to a close today as officials of Copperweld Corp. said they were dropping federal lawsuits seeking to block the bid made for the company by Sté. Imetal of France.

Still standing is a suit in the Ohio courts, which an Imetal official said he hoped could promptly be resolved.

In dropping the federal suits, Copperweld stated that it was still opposed to the Imetal offer.

Imetal, a Paris-based holding company owned by the Rothschilds, announced at the same time that it was revising its offer to purchase any and all Copperweld's shares to take into account the recent 5-per-cent stock dividend declared by Copperweld which is payable Nov. 20 to holders of record Oct. 28.

In addition, Imetal is now saying that current shareholders may retain the 60-cent-a-share cash dividend payable Dec. 10 to holders of record Nov. 20. Originally, Imetal intended to take payment of the dividend on the shares it bought.

As a result of these changes, Imetal is now offering to pay \$40.68 a share, down from \$42.50 indicated previously.

Imetal, whose officials met yesterday with Copperweld executives, said today that if it acquired a significant interest in the firm it would request to have three of its representatives appointed to the board and would offer the current chairman, Philip H. Smith, a seat on Imetal's board.

However, Mr. Smith reiterated today that neither he nor any officer or member of the board will tender their shares.

**Wilson Hints Chrysler Applies Pressure for a U.K. Bail-Out**

LONDON, Nov. 6 (AP-DJ).—Prime Minister Harold Wilson today indicated that Chrysler Corp. is putting intense pressure on the British government to help its unprofitable Chrysler (U.K.) Ltd. unit.

Asked about the Chrysler situation in the House of Commons, Mr. Wilson said: "When the government is presented with a pistol at its head, it is important that discussions should continue and the House will be given a report as soon as it is humanly possible."

House leader Ted Short said he would "see what could be done" about a statement on Chrysler before next Wednesday, when Parliament closes for a week.

Chrysler Corp. chairman John Riccardo returned to the United States late last night after three days of talks on what Chrysler says is the "grave situation" facing Chrysler (U.K.).

Reporting third-quarter and nine-month losses for the parent company last week, Mr. Riccardo and other Chrysler officials warned they might have to dispose of their loss-making British unit if an acceptable alternative could not be found.

Although Chrysler still has not publicly said what sort of help it wants from the British government, reports on Mr. Riccardo's various private talks give some indication of the problem.

Some members of Parliament who met with Mr. Riccardo yesterday said Chrysler's British unit is expected to have a record net loss of about \$26 million this year. The first-half loss was \$18 million and for all 1974 the British unit lost \$27.7 million.

**Hitsachi Profit Slumps**

TOKYO, Nov. 6 (AP-DJ).—Net profit slumped 33 per cent at Hitsachi Ltd. in the six months ended Sept. 30, the electrical equipment and appliances maker reported today.

Earnings of the parent company totaled \$1.1 billion yen (\$36.8 million), down from 1.21 billion in the first half of last year.

Sales dropped to \$97.8 billion yen from \$97.2 billion.

A spokesman said the company will pay a dividend of 2.5 yen for the half year, down from 3 yen in the year-ago period.

The spokesman did not give any specific net profit estimate for the six months ending March 31, 1976, but said net profit "won't decline at least."

The spokesman said sales are expected to show a slight advance in the current half-year period.

**Airline Has Loss**

In another report today, Japan Air Lines said that it incurred a 1.7-billion-yen loss in the six months ended Sept. 30, against a 1.75-billion-yen loss in the year-earlier period.

The carrier said its fiscal 1975 objective is to reach the breakeven point by the fiscal year end on March 31.

Hisao Asada, president, attributed the loss mainly to an 8.5-per-cent drop in demand for domestic flights from the like 1974 period.

**Sarnoff Resigns From RCA, Power Struggle Is Rumored**

NEW YORK, Nov. 6 (UPI).—Robert Sarnoff resigned yesterday as chairman and chief executive of RCA Corp. in a development catching his closest associates by surprise, and prompting speculation he was forced out.

His departure ended more than half a century of Sarnoff family involvement in the corporation. Since 1930, RCA has been run by either Mr. Sarnoff or his father, David Sarnoff.

There was speculation he was ousted in a corporate power play. It was also rumored that Mr. Sarnoff might have resigned in protest over a board decision. Mr. Sarnoff was not available for comment.

The board of directors accepted his resignation as chairman and a member of the board effective Dec. 31, but replaced him immediately as the corporation's chief executive officer.

Anthony Conrad, president and chief operating officer since 1971, was given additional duties as chief executive officer. A spokesman said Mr. Conrad "will run the entire corporation." The office of chairman was not filled immediately.

Mr. Sarnoff, 67, had been chairman and chief executive officer since his father stepped down in 1970. For five years before that, he effectively ran the company under his father.

An RCA spokesman said Mr.

**Switch on Gold Policy Denied by U.S. Aides**

WASHINGTON, Nov. 6 (REUTERS).—Treasury Department officials today categorically denied a report emanating from Paris that Washington is now backing away from the understanding reached on gold at the annual meeting of the International Monetary Fund in September.

The report quoted monetary sources as saying that the United States is now allowing central banks to buy gold as soon as the IMF starts to sell it "that is absolutely not the case," a Treasury spokesman said.

**FINANCIAL NEWS AND NOTES**

**Ekofisk Output Cut Pending Check**

The Norwegian government has ordered Phillips Petroleum Co., operator of the giant Ekofisk oil field in the North Sea, to stop production from one of its platforms pending inspection of the pipelines. Three people were killed Saturday at an explosion at another of the offshore platforms.

The explosion was sparked by a rupture of the pipeline, apparently caused by corrosion. Halting production at that platform reduced output from the Ekofisk field to about 200,000 barrels a day from 325,000 barrels. With the second platform now closed, output is expected to fall to about 40,000 barrels a day. Phillips says the cut in production "will have some impact" on its fourth-quarter earnings. The amount of impact will depend on how long the well is shut. Commentators in Norway estimate the cut will mean a drop in Phillips' income of about \$3 million a day.

**Concorde Surcharge 20 Per Cent**

An International Air Transport Association (IATA) meeting in Cannes has agreed that Concorde supersonic flights from Paris to Rio de Janeiro beginning Jan. 31—the world's first international supersonic commercial flight—will cost 20 per cent above first-class fares on subsonic flights. An Air France spokesman says the price of the round-trip ticket—10,397 francs (about \$2,385 at current exchange rates)—is subject to approval of the French and Brazilian governments. The IATA agreement does not cover

North Atlantic fares, which will be decided upon later. Air France and British Airways, so far the only two airlines which have bought the Concorde, have not yet received permission from the United States to land the supersonic craft.

**TWA Says Higher Fares Needed**

Trans World Airlines says a further 8 to 10 per cent air fare increase will be necessary early next year. The carrier says that the boost will be needed on top of a 2-per-cent increase which the U.S. government is expected to approve soon. Charles Tillenbach Jr., TWA chairman, expects passenger traffic to rise 5 to 10 per cent in 1976 over this year. But he says that revenue "yield" on tickets sold has been eroded by widespread airline fare discounts aimed at stimulating more travel.

**U.K. Report on Copying-Machine Market**

A spokesman for the British Monopoly and Mergers Commission says its inquiry into the copying-machine market is in "its closing stages" and that the public report will be out in a "matter of weeks." Meanwhile, Rank Xerox Ltd., jointly owned by Rank Organisation Ltd. and Xerox Corp., says it is altering its rental-only policy in Britain and that from now on it will sell its range of equipment rather than only leasing it. The company had previously only sold its equipment in such specialized markets as Eastern Europe. The Monopoly Commission's report has been expected to criticize rental-only policy of Rank-Xerox.

**State Agency in Negotiations**

**\$8-Billion Deal Sought to End N.Y. Crisis**

NEW YORK, Nov. 6 (AP-DJ).—A plan to provide some \$8 billion to pull New York City out of its fiscal crisis is being negotiated between the Municipal Assistance Corp. and potential lenders.

A spokesman for MAC, a state agency created to help the city out of its financial crisis, said commitments have not been obtained so far from banks, pension systems and investors. "By next Monday or Tuesday, we'll have a sense of whether we can do it," he said.

Elements of the plan include:

- Extension of \$1.1 billion of three-to-five-year MAC bonds held by banks to 10-year maturities at a 6-per-cent interest rate.
- The purchase of \$1.3 billion of MAC bonds held by pension funds, savings banks and other state funds for the same period and rate.
- A bank rollover of \$500 million of New York City notes previously agreed to.
- Voluntary exchange by individual holders of \$1.6 billion of city notes for 9-per-cent MAC bonds due in 15 years.

The purchase of \$1.87 billion of three-year New York City securities by city pension funds.

The city also will need \$1.5 billion of seasonal three-month loans from banks to meet its needs through April.

"The largest problem will be getting cooperation of individuals who aren't even on record as holders of the city's bearer securities," the MAC spokesman said.

The new borrowings from pen-

sion funds would involve primarily the flow of new funds into the pension systems over the three-year period rather than a demand on existing assets, officials said.

George Gould, chairman of MAC's finance committee, said that these are all tentative plans with each part of the package representing a formidable undertaking, especially considering the short amount of time available.

He said there is presently a 5 to 10-per-cent chance that the MAC board could put the entire package together by Dec. 1—the date at which the city fears it will fall into default.

The House Banking Committee had approved the bill, which authorizes \$7 billion in federal loan guarantees on Monday.

Mr. Albert and other House

leaders had pledged their support for the bill on Tuesday, and had said they thought it had a good chance to pass next week.

According to another House leader, top officials of organized labor are afraid the bill might force a change in terms of agreements between labor unions and the city, which would hurt union members.

In Washington, meanwhile, the bill authorizing federal loan guarantees for New York City has run into opposition from organized labor and has been taken off the House schedule for next week. Speaker Carl Albert, D-Okla. said today.

He had previously said the bill would be taken up next Tuesday, but he told reporters the schedule was now uncertain.

**Governor Asks for Fed Loan To Prevent Agencies' Failure**

NEW YORK, Nov. 6 (AP-DJ).—A plea for an emergency loan of \$750 million to prevent the fiscal collapse of four New York State agencies was made yesterday by Gov. Hugh Carey to the Federal Reserve Bank of New York.

The request was made under a special act that has not been used since the Depression.

In a letter to Paul Volcker, president of the New York Fed, Gov. Carey said the agencies face "imminent default" on their obligations because they cannot borrow in the capital markets.

The governor asked for a 90-day extension of credit, with the option of renewing for another 90 days.

The public authorities in jeopardy are the Housing Finance Agency (HFA), Medical Care Facilities Financing Agency, Dormitory Authority and Environmental Conservation Corp.

In a separate letter to President Ford, Gov. Carey said the agencies do not have anything to do with New York City's financial crisis, adding that their exclusion from the investment market has been "aggravated" by the President's recent speech "calling for bankruptcy of New York City."

The credit markets have been closed to the state's public authorities for more than a month. A default by HFA was averted in October in part by a \$90 million investment of state funds. HFA is the largest of the agencies, with about \$4.5 billion of bonds outstanding.

In response, Mr. Volcker said the state's application for credit was incomplete "and as such affords no basis for action on our part or for a recommendation to the board of governors."

Mr. Volcker did not foreclose the possibility of a loan, adding that he would be available to discuss the problem with Gov. Carey.

"I'm aware of the circumstances limiting the borrowing capacity of the state agencies and the state itself," Mr. Volcker said. He also indicated approval of the governor's plan to convene a special session of the state legislature next week to seek ways to strengthening the faith in the agencies and the state itself.

Any assistance from the Fed would require approval of at least five of the seven members of the board of governors in Washington.

Gov. Carey told newsmen later that the agencies could default by Nov. 14, Reuters reported. He also indicated that if the aid of default persists, the state will have increasing difficulty in borrowing for other purposes, particularly for schools next March. He said if money is not forthcoming at that time schools in the state could have to close, but he did not indicate the extent of the closings.

In his note to Mr. Ford, the governor said projects totaling \$2.5 billion will be stopped and thousands of workers will be unemployed if the agencies default in the absence of federal assistance.

[Gov. Carey told newsmen later that the agencies could default by Nov. 14, Reuters reported. He also indicated that if the aid of default persists, the state will have increasing difficulty in borrowing for other purposes, particularly for schools next March. He said if money is not forthcoming at that time schools in the state could have to close, but he did not indicate the extent of the closings.]

**SEC Is Probing Possible Fraud in N.Y. Bond Sales**

WASHINGTON, Nov. 6 (AP-DJ).—The Securities and Exchange Commission is conducting a low-key inquiry into the possibility of fraud in connection with the sale of New York City securities.

SEC officials emphasize that if any charges grow out of the inquiry, they will not be filed for some time. "Whatever we're doing, we're doing damn quietly," an official says. He notes that the caution stems from the complexity of New York's tangled affairs as well as from the agency's reluctance to take any action that might exacerbate New York's problems as it fights to avoid default.

Federal prosecutors say the U.S. attorney's office in New York has received allegations from at least one brokerage firm and several law firms that current and former New York officials have made misleading statements that covered up the city's true financial condition.

**Wholesale Prices Soar 1.8% in U.S. in Month**

WASHINGTON, Nov. 6 (AP).—Wholesale prices leaped 1.8 per cent in October, the biggest monthly rise in a year, the government reported today.

White House press secretary Ron Messer said the report demonstrates that "inflation certainly is by no means something that can be ignored" in shaping policy.

Mr. Messer said that "there is some feeling of concern by the President's economic advisers in their evaluation" of the wholesale price report. He said a number of technical and one-time factors helped boost the wholesale index, but that President Ford's economic aides want to "see evidence over a somewhat longer period of time" before reaching conclusions on the significance of the October figures.

Price tags on new model cars, lumber and textile products were particularly significant in raising prices last month, but the increases were spread almost across the board, the Labor Department said. Farm prices also were up sharply, but still about half the rise in September.

October's increase in the wholesale price index followed gains of 0.5 per cent in September and 0.8 per cent in August, and was the sharpest rise since October, 1974, when wholesale prices rose 2.9 per cent.

Wholesale prices last month were 8.1 per cent higher than a year ago. The index moved up to 178.9, meaning it cost \$178.90 in October to buy the same goods at wholesale which sold for \$100 in the 1967 base period.

Farm prices rose 2.3 per cent last month, a sharp gain but

still significantly less than the 4.3-per-cent increase in September. This put farm prices 5.2 per cent above a year ago.

Industrial prices jumped 1.2 per cent in October, up from 0.7 per cent in September and three times the amount of increases recorded during the summer months. They have been accelerating since last March.

A substantial rise in industrial prices at such an early stage in the recovery from the recession has aroused concern among economists over the strength of the recovery.

Industrial prices last month were 6 per cent higher than in October, 1974.

Consumer finished goods—the category of wholesale prices related most directly to retail prices—rose 1.6 per cent in October after rising 1.2 per cent in September.

Helping spur the midseason rally was an announcement that the Municipal Assistance Corp. will proceed with a plan to fashion a three-year package to solve New York City's financial problems.

Although the odds appeared heavily against the plan being worked out in time to save the city from default, analysts said investors were encouraged because it showed the city was pulling out all stops to head off financial collapse.

The Dow Jones industrial average advanced 4.65 points to 840.92, after being ahead 5.35 at 8 o'clock.

Advancing issues moderately outnumbered declines about 800 to 570.

Volume totaled 18.6 million shares compared with 17.39 million yesterday.

USM climbed 3 1/4 to 31 3/8 after a delayed opening. Embart, up 1 to 20 3/8, said it will proceed with its tender offer of \$23 a share for 1 million USM shares.

The Embart announcement came after the court of appeals in Boston lifted an Oct. 14 injunction which temporarily blocked Embart's tender offer.

Prices on the American Stock Exchange closed mixed in light trading. The Amer index rose 0.19 to 83.23.

On the over the counter market the NASDAQ industrial average rose 0.92 to \$1.75.

In Chicago, farm commodity futures closed generally lower on the Board of Trade.

**Bankers Favor Aid for N.Y.C. Before Default**

NEW YORK, Nov. 6 (Reuters).—An overwhelming majority of bankers at a conference here favor aiding New York City before default, after control of its financial affairs has been firmly established by an outside governmental agency.

A survey, conducted by the American Bankers Association at its international foreign exchange conference here, found that 81 per cent of the 118 overseas bankers attending the conference favored this type of aid, and that 53 per cent of the 52 U.S. bankers surveyed were also in favor.

Some 68 per cent of the overseas bankers believed that a default by the city would have a major negative impact on international financial markets, and 46 per cent of the U.S. bankers felt the same way, the survey showed.

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**Company Reports**

CNA Financial			
Third Quarter	1974	1975	
Revenue (millions)	437.4	457.2	
Profit (millions)	17.30	—	
Per Share	0.28	—	
Nine Months			
Revenue (millions)	1,300.6	1,354.8	
Profit (millions)	22.8	—	
Per Share	0.33	—	
Emerson Electric			
Year	1974	1975	
Revenue (millions)	1,250.30	1,266.12	
Profit (millions)	96.19	93.16	
Per Share	1.74	1.67	
Gramman			
Third Quarter	1974	1975	
Revenue (millions)	356.4	304.5	
Profit (millions)	6.12	4.92	
Per Share	0.82	0.72	
Nine Months			
Revenue (millions)	979.1	885.5	
Profit (millions)	15.63	14.24	
Per Share	2.25	2.17	







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### Selected Over-the-Counter Stocks

[illegible]

November 1975											
By reading across this table of yesterday's closing inter-bank foreign exchange rates, one can find the value of the major currencies in the national currencies of each of the following financial centres. These rates do not take account of service charges.											
	S	D	DM	F	Lt	Lt	Gldr.	SF	com. Swissf.	Dan. Kr.	
Amsterdam	2,642	5,445	102.73	80.34	39.93	6.80*	99.56	35.48	43.54		
Banque de Paris	36.72	15.24	8.93	37.53	14.70	14.68					
Frankfurt	2,652	5,297		58.79	79.31*	6.91*	97.31*	42.54			
London	2,686		5,304	9,273	138.50	5,338	80.13	34,553	12,455		
Stockholm	675.10	139.50		26.25		31.55	12.72	31.55			
Paris	4,382	9,035	170.80			6.4852	168.50	11.3022	2,652.5	73.10	
Zurich	2,675	5,448	102.73	80.34	39.93*	6.81*		41.16			
The following are dollar values only: Danish krone: 5.9463; Escudo: 20.48; French franc: 6.5596; Italian lire: 20.36; Japanese Yen: 361.80; Belgian Franc: 36.95; Canada: 1.317; Hong Kong: 5.5025.											
(a) Commercial trans. (b) Units of 100. (c) Units of 1,000. (d) Units of 10,000											
(e) Amounts needed to buy one pound.											

*These Bonds have been offered and sold in Japan. This announcement appears as a matter of record only.*

New Issue November 4, 1975

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## NEW ZEALAND

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**Okasan Securities Co., Ltd.      Osakaya Securities Co., Ltd.      Yamatane Securities Co., Ltd.**

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## Washington aid to Seek F. Giants

Montreal, Other Cities  
Also Interested

By Nancy Scannel  
and Shirley Povich

WASHINGTON, Nov. 6 (WP).—Washington-area developer made an offer to buy the nationally troubled San Francisco Giants and move them to RFK stadium here, according to sources.

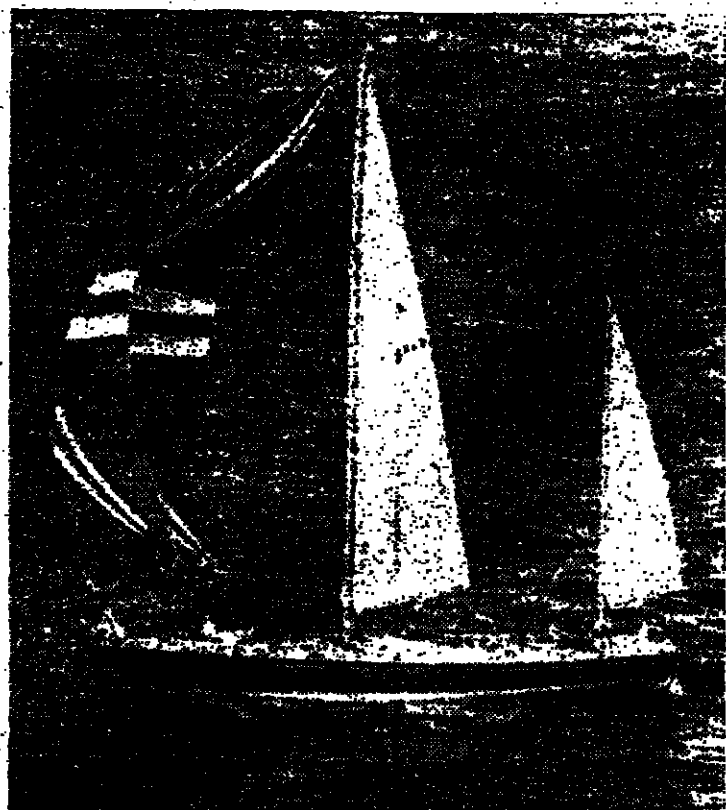
The sources said that lawyers for the developer and the Giants have been negotiating for some time about the cost and conditions for buying the National League franchise.

But Lermer, developer of several shopping centers in the Washington area, said he has no such offer. "My lawyers are not talking to anybody," he said. "Then he added, 'Under the best conditions, I might be interested.'"

Charles Stoneham, the Giants' president, could not be reached for comment. But Charles Rupert, executive vice-president of the club, said, "There has been some interest from people in the Washington area."

Toronto Interested  
Rupert declined to identify the Washington parties involved, explaining, "The attorneys are handling this." Other cities, most notably Toronto, are also interested in buying the Giants.

He said any offers would come from the Giants' board of directors, which is meeting "soon" in the city's regular season. "We are not taking any action until the board meets," he said.



GLOBAL VOYAGER—Yacht Great Britain II near Sydney.

## British Yacht in Record Run

SYDNEY, Nov. 7 (Reuters).—A British yacht, Great Britain II, today won the first leg of the around-the-world clipper race, cutting nearly two days off a 105-year-old record for the London-to-Sydney run.

Great Britain II arrived well ahead of its nearest rival, the French ketch Kriter II.

"It was a superb trip," skipper Mike Gill said after the 67-day, 12,000-mile voyage.

Despite being beset for several days toward the end of

the trip, Great Britain II cut over 42 hours off the old record of 69 days set by the wool clipper Patriarch in 1870.

Kriter II, damaged in a collision with a whale Oct. 11, was thought to be 11 miles behind Great Britain II.

Two other yachts—from Italy and the Netherlands—have just rounded South Africa and entered the Indian Ocean.

The second leg of the race, from Sydney to London around Cape Horn, begins Dec. 21.

## A Probe Delays Biggest Fronton

By Steve Cady

BRIDGEPORT, Conn., Nov. 6 (NYT).—When Ricardo Sotil talks about why the world's biggest jai alai stadium may not open here on schedule, a look of bewilderment furrows his Spanish brow.

"I can't understand all these things," he says. "Everything is ready. It is beautiful."

Sotil is the matchmaker for Bridgeport's nearly finished fronton, as jai alai calls its stadium. But the Nov. 17 debut of the \$18-million gambling palace has been threatened by a deepening scandal involving alleged influence-peddling.

Forty of the world's finest players are under contract to Sotil, 38, for a season that was to have run from last Saturday through May 15. Most of them, their visas obtained, are still waiting in Spain for the word to pack their bags.

Meanwhile, four years after Connecticut legalized gambling on horses, dogs, lotteries and jai alai, the state's first pari-mutuel betting facility inches toward birth here in a mixed atmosphere of hope and hostility.

Outraged anti-gambling forces see the fronton, with its plush carpeting and theater-type seats, as a kind of devil, conceived in sin, corrupting all it touches.

A major investigation is now under way centering on an alleged cash payment of \$200,000 to the late John Bailey, former state and national Democratic party chairman, for help in gaining the gambling license.

David Friend, a Florida banker who heads the Bridgeport jai alai operation, has denied giving Bailey a bribe.

At the urging of Gov. Ella Grasso, however, the State Gaming Commission has put a

"hold" on all pari-mutuel openings until the controversy surrounding the Bridgeport franchise has been resolved. Yet many residents in this high-rise city of 150,000 view the fronton as a gift from heaven, a job source that already has pumped millions of dollars into the depressed area's supply and construction industries.

When the pari-mutuel action starts, pro-gambling interests contend the fronton will do even better for the local economy. Apart from jobs and increased hotel and restaurant business, Bridgeport stands to net \$750,000 a year from 170 programs of jai alai.

Most of that will come from a 10-per-cent city tax on admissions, with the rest from property taxes and a pari-mutuel take of a fourth of 1 per cent of the handle. Under the take-out formula, the fronton retains a generous 11 3/4 per cent of the betting handle, and the state gets 5 per cent. An average handle of \$900,000 is anticipated for six nightly programs (Monday through Saturday) and a Saturday matinee.

"There's going to be a small-scale riot here if they don't let this place open," a policeman said the other day on Main Street. "It means 900 jobs for local people. Bridgeport was going down the drain financially."

Billed as the world's fastest sport, jai alai is the national sport in the Basque country of Spain and France. It provides rapid-fire action combining elements of handball, squash, dog racing, bullfighting, gymnastics and mountain-climbing. The Bridgeport fronton, on a 22-acre site in the city's low-income East End, will be the world's costliest and most spacious.

The 5,800 reserved seats, scaled from \$5 to \$2, give it nearly twice the average seating capacity of Florida's eight frontons. Additional customers can be accommodated for a \$1 general admission price, either as standees or at 400 seats in the cocktail lounges and restaurant.

Since 1933, when pari-mutuel wagering on jai alai was legalized in Florida, that state has had a virtual U.S. monopoly on the game.

Jai alai betting did not go beyond Florida until 1973, when a fronton opened in Las Vegas. In Florida, betting handle runs about \$300,000 for some programs.

Glamour and Money  
Jai alai, its proponents argue, will add glamour and money to the local scene, making Bridgeport a place people want to visit instead of a grimy whistle-stop marked by smokestacks, high-tension wires and abandoned factories.

But nobody is betting right now on how long the fronton's debut will be delayed, or whether the present operators will lose their license. A Hartford judge, Harold Mulvey, has been appointed as a one-man grand jury to investigate the alleged corruption.



Real Madrid's Roberto, at right in white, tries for a header in front of Derby County goal in game won by the Spaniards at Madrid, 5-1, Wednesday night. Defending is Thomas. At left is Santillana. The victory put Real Madrid in the European Cup quarterfinals.

## Veterans Give NBA's Jazz Victory Rhythm

By Sam Goldaper

NEW YORK, Nov. 6 (NYT).—How can the New Orleans Jazz be leading the Central Division of the National Basketball Association and have won six straight games? After all, these are the Jazz who as an expansion team last season lost 15 of their first 16 games and failed to gain their fifth victory until Jan. 17. With the exception of Ron Behagen, who came from Kansas City in the offseason for a first-round draft choice, the Jazz starting line-up is the same that finished with a 23-69 won-lost record, the worst in the league.

The big differences are Otto Moore and Pete Maravich. Last night, for example, in the 113-110 victory over Los Angeles, before an NBA record crowd of 26,511 in the Louisiana Superdome, Maravich led the scorers with 30 points and Moore chipped in 18.

This is the same much-traveled Moore who played with the Detroit Pistons, Phoenix Suns, Houston Rockets and Kansas City Kings and failed to make it in a tryout with the New York Nets of the American Basketball Association. Now the 6-foot-11-inch skinny center is playing better and being paid less.

"I have never seen Otto play better," said Butch Van Breda Kolff, the New Orleans coach, yesterday by telephone from New Orleans. "I know Otto. I coached him in Detroit. He was never a bad player, but he has come to understand some of the things he can and cannot do."

"He's been bumped around and people were looking for him to do too much. For a time he walked the streets of Detroit looking for a job at the same time I was one of the unemployed and walking the beaches in New Jersey. Otto is playing hungry for less money."

Van Breda Kolff became the Jazz coach after the 1-15 record and immediately ran into trouble with Maravich and his flashy one-on-one play. But Maravich has changed. Van Breda Kolff's thinking since then with some excellent team play.

"Pete has always been a great player," said Van Breda Kolff, "but now he's a player's player rather than a fan's player."

Ashe, Connors Score  
Straight-Set Victories  
STOCKHOLM, Nov. 6 (AP).—Arthur Ashe and Jimmy Connors, posted straight-set victories today to move into the quarterfinals of the \$100,000 Stockholm Open tennis tournament.

Top-seeded Ashe combined his usual strong serve and volley game to defeat Ray Moore of South Africa, 6-4, 6-4. Second-seeded Connors, upset by Ashe at Wimbledon in the summer, broke twice in each set to score a 6-4, 6-2 triumph over Tom Okker of the Netherlands.

Ejor Borg of Sweden and Romania's Ilie Nastase also gained the quarterfinal. Borg downed Eric Van Dillen of the United States 6-4, 6-4, and Nastase defeated Victor Pecci of Paraguay, 6-2, 7-6.

Japan Matches Postponed  
TOKYO, Nov. 6 (AP).—Rain today postponed quarterfinal matches in the Japan Open tennis championship.

Indiana's Coach  
Wants U.S. Pros  
To Play Russians  
INDIANAPOLIS, Nov. 6 (AP).—Russia's national basketball team is professional in every sense of the word, and the United States should stop sending a collection of college all-stars to the Olympics," says Indiana coach Bobby Knight.

"I think we should send the winner of the National Basketball Association championship," he said after his Hoosiers routed the touring Soviet squad, 94-78, Monday night.

"We should send them to Montreal (next year) and if the Russians don't like it, then tell them to go to hell," Knight said.

Soviet Unit Beats St. Louis  
ST. LOUIS, Nov. 6 (AP).—Vladimir Shigili and Alexander Belov, a star in the 1972 Olympics, led the Russians on a 16-1 scoring spree midway through the final half and the Soviet team trounced St. Louis University, 73-59, last night. It was their first victory in three games on the U.S. tour.

The powerful, taller Russians dominated both backboards. Shigili's 16 points and 10 each by Alexander Belov and Sergei Belov paced the Russian attack.

Lewis McKinney of St. Louis led all scorers with 22.

## Don Newcombe, at 49, is Finally Winning the Big One

By Dave Anderson

NEW YORK, Nov. 6 (NYT).—He awoke in a stupor from the night before. Don Newcombe was being jostled by his wife Billie.

"I'm leaving you," she said. "I can't live without money but I can't live with the other things."

The other things were drinking and betting on horses, mostly drinking. Don Newcombe, a Cy Young Award pitcher for the Brooklyn Dodgers in 1956 with a 27-7 won-lost record, had deteriorated into an alcoholic after his baseball career ended.

His life also had deteriorated. His cocktail lounge in Newark had been closed by tax agents. His liquor business had dissolved. He had pawned his 1955 World Series ring to avoid losing his Los Angeles apartment.

But now, in 1966, he was about to lose his family. His wife was telling him not only that she was leaving but that she was taking their three small children with her. The shock sobered Don Newcombe quicker than a cold shower ever had. He reached out for his son, Don Jr., then 4 years old.

"One more chance," she pleaded. "You've had enough chances," she said.

"Give me one more chance," he said, "and I'll swear to you on the head of my son—no drinking, no horses."

"One more chance," she said. "You've had enough chances," she said.

"Give me one more chance," he said, "and I'll swear to you on the head of my son—no drinking, no horses."

"One more chance," she agreed.

In nine years since then, Don Newcombe hasn't had a drink or bet a horse. But drinking was the big thing that Big Newk conquered because drinking created all his other problems. And yesterday, over a cup of hot tea with lemon, Don Newcombe talked about how, while watching Dick Van Dyke in a television special on alcoholism titled "The Morning After," Don Jr. nudged him.

"Remember," the now 13-year-old boy said to his mother, "how daddy used to be like that?"

His mother remembered better than his father did. His mother remembered how their oldest son had been frightened by his father.

"Lost My Son"  
"He was terrified of me," Don Newcombe said. "The other two were little, but I had lost my son."

But now Don Newcombe has regained his oldest son, as well as his dignity. At age 49, he is the director of community relations for the Los Angeles Dodgers, a vice-president of a bank, a Chamber of Commerce executive and a General Electric representative. He's also affiliated with the National Clearing House for Alcohol Information and the National Council on Alcoholism as an ambassador on the dangers of drinking.

He knows. He began drinking beer when he was about 8 in

Elizabeth, N.J., where his father was a chauffeur.

"We were a drinking family, my dad, my brothers," he recalled. "I remember drinking with Earl Harbor Day in a bar when I was 15."

At Ebbets Field  
In his big years with the Dodgers, he remained mostly a beer drinker, especially after pitching at Ebbets Field.

"I'd sit in the clubhouse and have six or seven cans; the beer box was next to my locker," he said. "Then my father and I would stop in a delicatessen for a couple of six-packs on the drive to Columbia where I lived then. And when we got to New Jersey we'd stop for a case of Jersey and drink them until I was drunk."

"But it was only after I pitched or when I knew I wasn't going to pitch that I drank. I never drank before I was scheduled to pitch."

His discretion contributed to his 27-7 record in 1956 but that year he lost a World Series game for the fourth time without winning. Angry and discouraged, he toured Japan with the Dodgers under protest. And under the influence.

"I told them they could make me go, but they couldn't make me pitch. I didn't. I was drunk the whole 30 days on scotch and said. One time they had to come get me in my room to make a plane. I had passed



Don Newcombe

out fully dressed. Then on the plane I insulted Walt Alston and he told me, 'That'll cost you \$300.' But the next day, he told me, 'I know what you're going through—people saying you can't win the big one, fighting with the guy in the parking lot outside Ebbets Field after being knocked out in the World Series—but you've got to be careful what you say to the manager.' He never took the \$300 from me. I'll always love

Walt Alston for the way he understood."

But by 1958 a sore arm, a diverted arm, and his drinking prompted the Dodgers to trade the 6-foot-4-inch 220-pound right-hander to the Cincinnati Reds.

"By then I was drinking more. On planes, I traveled with my own mixer case—two bottles of vodka and grape juice. Purple passions."

During the 1960 season he was traded to the Cleveland Indians, then he drifted to the Dodgers' farm at Spokane, Wash., and to Japan.

"Thinking back," he said, "I considered myself a controlled alcoholic then but the drinking kept me from pitching another four or five years. I was 34 my last year in the big leagues. Once out of baseball, all I did was drink. Sometimes two fifths a day—anything, scotch, vodka."

"I did a lot of things that make me sad now when I think about them. Someday soon I hope to talk to Commissioner Bowie Kuhn about how baseball is aware of a possible drug problem without recognizing alcohol as a drug."

Don Newcombe finished his cup of hot tea and got up to make another appearance during the Alcoholism Awareness Month.

"Out in Yakima, Wash.," he said, "a lady told me, 'Don, you're in a much bigger ballgame now than you ever were.'"

## A Look at Records of NFL Coaches Offers Surprises

By William Barry Furlong

WASHINGTON, Nov. 6 (WP).—Who is the "best" coach in the National Football League?

If you go strictly by the numbers (the won-and-lost record), it is among coaches with more than two years of experience—something of a surprise: Chuck Knox of Los Angeles.

Knox has a winning percentage of .800. That includes all regular-season and post-season games. Just behind him—winning and losing—Don Stula of Miami. Stula has a .788 percentage.

Next comes John Madden of Oakland with a .763 percentage and George Allen of Washington with .734.

Altogether, there are five experienced coaches who have won 70 per cent to 80 per cent of their games in the NFL. The fifth is Bud Grant of Minnesota with .707.

Perfect Record  
Additionally, there is Ernie Heferle, who took over as head coach of the New Orleans Saints and on Sunday won his first—and only—game in the NFL, and Sam Phillips, who took over the Houston Oilers at the start of this season and guided the team to six wins in the first seven games, giving him a record of .857. But for purposes here, the "hard" list was considered to include those coaches who are now in their third year, or beyond, of coaching.

For Allen, there's an extra element of status in his record. If his Redskins beat the New York Giants Sunday, his record will be just about at the level of the late Vince Lombardi. He will have one less victory but also one less loss than Lombardi had in his 10 years of head coaching.

In the case of a Washington victory Sunday, Allen's record will compare with Lombardi's in this way: Allen: won, 95; lost, 34; tied, 5.

Lombardi: won, 96; lost, 34; tied, 6.

Not a bad time to be talking to the boss about a raise.

Two active pro coaches have done better than Lombardi by the end of the 10-year mark. One is Don Stula, who had a 102-26-6 record for a .768 percentage at the end of 10 years. The other is Paul Brown, whose first 10 years, guiding the Cleveland Browns, produced a remarkable 110-17-7 record.

The list turns up several surprises, such as Charley Winner of the New York Jets and Tommy Prothro of the San Diego Chargers ranking ahead of Chuck Fairbanks of the New England Patriots—both because of their success with earlier teams. Winner with St. Louis and Prothro with Los Angeles.

Or would you have believed that Tom Landry of Dallas, with all of the success of the last 10 years, still ranks between .500

and .600, well out of the elite .700-plus group? The reason is that Dallas has such poor records the first five years of his coaching.

It's a similar case with Chuck Noll of Pittsburgh. Noll ranks behind Don Coryell of St. Louis (a record of .544 to .558) because in Noll's first two seasons, Pittsburgh had losing records.

If the newcomers—those in their first or second year—were included in the total list, they would virtually have a monopoly on failure. Seven of the bottom nine coaches in the combined list are newcomers. The exceptions are Fairbanks and Mike McCormack of Philadelphia.

Took Over Losers  
But there is a reason for the above: In most cases, the new coaches wouldn't have their jobs if the teams they took over had been good enough to enjoy a certain success. They took over losers. Those teams losing habits were not easily broken. Even Noll and Bud Grant of Minnesota had that experience.

Not Knox or Allen. Knox took over a pretty good team—Prothro was 14-13 there—and Allen was 49-17-4 before him—and simply made it better. When Allen first entered pro coaching, he took over a poor Los Angeles team—it was 23-55-4 in the five years before him—and instantly made it better. It was 9-6 in his first year and 11-1-2 in his second year. When he came to Washington, he found a team where Lombardi had made some basic improvements. Allen made it better.

The guys at the bottom of the list achieve one thing: They are given spots to their ego by the coaches at the top. For the winners always have kind words for the losers—although did you ever hear George Allen say a kind word about Landry or Stula?

It's an old tradition in high-coaching. Lombardi used to praise George Halas and—in Lombardi's time—Halas was pretty much a loser. So Lombardi could afford to distribute a few indulgences. So can Allen, as he did when John North of New Orleans was fired last week. But these kind of indulgences don't do any good; they don't save the jobs of the men at the bottom of the list.

## Pro Football Individual Statistics

NATIONAL CONFERENCE									
Scoring					Kicking				
Touchdowns		TDs Pts		Kicking		EP FG Pts			
Foreman, Minnesota	8	48	Fritsch, Dallas	15	14	57			
Carmichael, Phil	8	36	Backen, St. L.	10	11	52			
Mc Gray, St. L.	6	36	Coe, Minn.	10	10	48			
McGraw, St. L.	6	36	Dempsey, L.A.	10	10	48			
Brookington, G.B.	5	30	Mooney, Wash.	3	3	48			
Robson, N.Y.	5	30	Wann, Seattle	3	3	48			
D. Pearson, Dallas	5	30	Muhlmann, Phil.	10	9	37			
Passing (20 Attempts)									
		Att Comp Pct		Yds Tds					
Tarleton, Minnesota	149	123	82.1	1496	10				
Harrill, L.A.	149	120	80.5	1271	9				
Minneapolis, Detroit	109	65	59.6	826	6				
Stuckard, Dallas	127	72	56.4	744	6				
Carroll, Dallas	187	97	51.9	1113	10				
Good, St. L.	127	80	62.3	1074	7				
Wright, Washington	118	102	86.5	1416	13				
Morrison, N.Y.	149	104	69.5	1254	7				
Hart, St. L.	189	86	45.5	1247	9				
Had, G.B.	174	98	56.3	1051	4				
Kicking									
		No Yds		Ave Tds					
Foreman, Minnesota	34	943	10.1	4					
D. Pearson, Dallas	30	418	13.9	5					
Carpe, G.B.	20	415	13.8	0					
McGraw, St. L.	30	237	7.9	0					
Taylor, Washington	28	336	12.4	4					
Young, Philadelphia	38	378	9.9	0					
Maxson, N.O.	26	154	5.9	0					
Johnson, N.Y.	26	258	9.9	0					
Wright, N.Y.	24	297	12.4	0					
Mc Gilliam, Minnesota	24	497	16.5	3					
Carmichael, Philadelphia	24	368	15.3	2					
G. Washington, G.B.	24	338	14.1	4					
Rushing									
		Att Yds		Ave Tds					
McCutcheon, L.A.	121	545	4.5	1					
Orin, St. L.	121	511	4.2	3					
Foreman, Minnesota	107	505	4.7	0					
Foreman, Minnesota	121	474	3.9	3					
McGraw, St. L.	100	466	4.7	4					
Carroll, W.O.	105	451	4.3	0					
Newman, G.B.	115	455	3.9	1					
M. Thomas, Washington	107	403	3.8	3					
Sullivan, Philadelphia	92	383	4.2	0					
	72	368	4.5	0					
AMERICAN CONFERENCE									
Scoring					Kicking				
Touchdowns		TDs Pts		Kicking		EP FG Pts			
Nottinghamham, Miami	9	54	Stencard, K.C.	15	14	57			
Braxton, Buffalo	8	48	Cerela, Phil.	13	21	54			
Stinson, Buffalo	8	48	Turman, Miami	13	23	53			
McGraw, Phil.	7	42	Turman, Denver	12	21	48			
Stinson, Buffalo	6	36	Philer, Houston	10	15	48			
Stinchell, Phil.	6	36	Stinchell, Buffalo	37	6	62			
Stinchell, Miami	5	30	Slata, Colo.	19	6	37			
Passing (20 Attempts)									
		Att Comp Pct		Yds Tds					
Ferguson, Buffalo	191	105	55.2	1664	10				
Bradshaw, Pittsburgh	129	83	68.1	1024	7				
Anderson, Cincinnati	195	110	56.4	1545	10				
Johnson, Buffalo	199	105	52.8	1411	11				
Crisie, Miami	155	81	58.0	1144	10				
Livingson, K.C.	125	64	51.2	944	3				
Longmire, Houston	124	71	57.3	949	3				
Carrigan, N.Y.	73	34	46.6	622	7				
Namath, N.Y.	170	81	53.5	1260	8				
Fouts, S.D.	104	61	58.7	802	1				
Rushing									
		No Yds		Ave Tds					
Mitchell, Baltimore	33	304	9.2	3					
Branch, Oakland	39	358	9.2	3					
Carron, N.Y.	26	544	20.9	4					
Swann, Pittsburgh	28	460	17.7	5					
Branch, Oakland	28	458	16.3	3					
Rosen, Cleveland	28	333	12.4	1					
N. Moore, Miami	26	334	17.4	4					
Burgh, Buffalo	24	448	18.7	3					
Ruscher, Cleveland	24	333	14.0	1					
Curtis, Cincinnati	23	466	20.2	4					
Curtis, Cleveland	23	359	15.6	3					
Stigler, N.Y.	23	286	11.7	1					
Rushing									
		Att Yds		Ave Tds					
Stinson, Buffalo	122	1086	8.9	7					
Morris, Miami	122	1064	8.7	3					
Van Pelt, Pittsburgh	125	659	5.0	4					
Riggins, N.Y.	109	451	4.1	8					
Hardegan, Houston	114	421	3.6	3					
McGraw, Phil.	91	422	4.6	8					
Nottinghamham, Miami	107	385	3.6	2					
Heier, Pittsburgh	102	362	3.5	2					
Van Zegem, Colo.	83	384	4.6	4					
Carratt, N.Y.	74	362	4.9	3					



